

The complaint

Miss M is unhappy that a car supplied to her under a hire purchase agreement with Lendable Ltd trading as Autolend was mis-sold to her and wasn't of a satisfactory quality.

What happened

In October 2024, Miss M was supplied with a used car through a hire purchase agreement with Autolend. She paid an advance payment of £1,500 and the agreement was for £13,267 over 60 months; with 59 monthly payments of £462.01 and a final payment of £447.62. At the time of supply, the car was around four and a half years old and had done 46,792 miles (according to the agreement).

In February 2025, Miss M had a tyre replaced and the garage who completed this work advised her that the car may have previously been in an accident, as the rear axle or hub was bent. And they told her this would likely cause a future MOT failure.

Miss M says she was not made aware the car had been involved in a previous accident, and that she was told the car would cost around £2,500 to repair. She felt this damage was present when the car was supplied to her, so she complained to Autolend.

Autolend didn't uphold Miss M's complaint. They said the HPI check that was carried out before the car was supplied to her didn't indicate any issues. They also said that, while the car passed an MOT in January 2024 with an advisory for 'offside rear axle/hub/wheel appears to have excessive negative camber and toe out', the car passed an MOT in June 2024 without this advisory. Autolend thought that, as Miss M had travelled 2,600 miles in the car, the current damage must have been caused while she was driving it i.e., due to driving over potholes, kerbs, or speed bumps.

Unhappy with this response, Miss M brought the matter to the Financial Ombudsman Service for investigation.

Our investigator didn't think the car had been misrepresented to Miss M at the point of supply, and that the car supplied to Miss M was of a satisfactory quality. So, they didn't think Autolend needed to do anything more.

Miss M didn't agree with the investigator's opinion. She said the evidence shows that the car had been in an accident before it was supplied to her, and the axle damage is not consistent with normal wear and tear. She also said that, as the damage had been identified within the first six months, Autolend were responsible for this.

I issued a provisional decision on 13 November 2025, where I explained my intention to uphold the complaint. In that decision I said:

If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Miss M was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Autolend are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history.

The CRA also implies that goods must confirm to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Autolend can show otherwise. So, if I thought the car was faulty when Miss M took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Autolend to put this right.

Miss M has provided a copy of an invoice for tracking following the tyre replacement. This is dated 21 February 2025 and specifies the mileage as 49,609 miles. This means the car had travelled around 2,800 miles since it was supplied to Miss M. The invoice states "O/S/R AXLE/HUB BENT, NO AVAILABLE ADJUSTMENTS DUE TO BEING A FIXED REAR AXLE." The associated geometry reading for the car also confirms this, as well as showing that both rear tyres are out of tracking, with the offside rear tyre having a significant camber.

I've also reviewed the MOT record for the car, and have specifically noted the following:

- 31 January 2024 at 43,482 miles. Car passed an MOT with an advisory for 'offside rear axle/hub/wheel appears to have excessive negative camber and toe out'
- 24 June 2024 at 46,285 miles. Car passed an MOT without any advisories.
- 20 June 2025 at 51,768 miles. Car passed an MOT without any advisories.

Both Autolend and the investigator have said that, as the advisory that was present on the January 2024 MOT wasn't present on the June 2024 MOT, this shows that whatever issues there were with the axle and hub in January 2024 must've been repaired before the car was supplied to Miss M in October 2024.

However, this would also indicate that the faults found with the axle and hub in February 2025, which Miss M has evidenced, must've been repaired before the June 2025 MOT. But this hasn't been the case, and I've seen nothing to show any repairs have taken place.

Given this, I've reviewed the MOT inspection guidance on the GOV.UK website and have specifically noted there was an update to this guidance in April 2024 relating to 'axles, wheels, tyres and suspension'. What's more, I'm unable to find that 'offside rear axle/hub/wheel appears to have excessive negative camber and toe out' is a valid current defect reference for advisories or failures.

Based on this information, I'm satisfied it's more likely than not that the change of MOT regulations and the removal of the specific defect reference is the reason the issues are no longer present on the MOT record, and not that the necessary work had been completed.

Even if I'm wrong about this, this would mean that the rear axle was bent out of alignment in January 2024 and was replaced by June 2024. The car then travelled 507 miles before it

was supplied to Miss M, then a further 2,800 miles before the tracking invoice. So, at some point during this period the car would've had to have been in some kind of incident, even if that was only driving over a pothole or a kerb, that would cause exactly the same damage to the car that was present in January 2024. I consider the chances of this happening are highly unlikely.

As such, I'm satisfied the car was supplied to Miss M with existing unrepaired damage that Autolend are responsible for. And they need to do something to put things right.

The adverse camber on the rear wheels caused by the axle damage does not make the car unsafe to drive. If it did, then the car would've failed the January 2024 MOT. Instead, it would cause uneven tyre wear, with the affected tyres wearing more at the edges than the centre. What's more, just because the tracking company said there were no adjustments available, this doesn't mean the car isn't repairable.

For completeness, I've also considered if the car was misrepresented to Miss M. For misrepresentation to be present there must (a) have been a false statement of fact (either directly or by omission), and (b) that false statement of fact must have induced, in this instance, Miss M to have financed this particular car with Autolend.

The damage to the rear axle does not mean the car has previously been in an accident, or that the previous owner of the car would've known about the problem. It's already been said that this damage was most likely caused by the car driving over a pothole, kerb, or speed bump (but, as I've said, I'm satisfied this most likely happened before the car was supplied to Miss M). So, when the dealership checked if the car had previously been in an accident or had been written off by an insurance company, the checks came back clear.

As such, I'm not satisfied there has been any false statement of fact. And, without this, there has been no misrepresentation. So, I won't be asking Autolend to give Miss M the right to reject the car. Instead, as the CRA allows for a single chance at repair, I will be asking Autolend to arrange for the car to be repaired at no cost to Miss M. And I would expect for them to arrange for a courtesy car to be provided to Miss M while these repairs are being carried out. As part of this repair, if the offside rear tyre is worn to the point it would result in an MOT advisory or failure, this should also be replaced.

Miss M has confirmed that she's been able to drive the car since it's been supplied to her, so I also won't ask Autolend to refund any payments to her. However, I do intend to ask them to pay her £200 for the distress and inconvenience she's suffered as a result of what's happened.

Responses

Miss M didn't agree with my provisional decision. Although she agreed the complaint should be upheld, she didn't agree with my proposed remedy. Miss M has said that she'd had to replace the tyres on the car every few months because of the axle defect, and the £200 I recommended doesn't cover these costs or the worry or stress the situation this has caused.

Miss M explained she'd lost all confidence in the car and that it wasn't fit for purpose. She said, if the car was repaired, she be concerned that similar issues would reappear as a result of the original damage. So, she thought the only fair outcome would be for the car to be rejected, and for her to receive a full refund of the deposit and all the payments she made. Finally, Miss M explained why she was unhappy with how Autolend dealt with her complaint.

Autolend chose not to respond to my provisional decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

As Autolend haven't said anything to the contrary, I'm taking their lack of comments to mean they don't object to my provisional decision.

I've considered the comments made by Miss M, but these don't change my mind. And I'll explain why.

Miss M is concerned about the safety and roadworthiness of the car. However, the car hasn't failed an MOT, even with the current damage. This means the car meets the minimum legal standard for roadworthiness so I can't agree it wasn't fit for purpose when it was supplied.

What's more, the axle will be replaced when the car is repaired. As there's nothing to show there's any underlying issues with the car that's causing the axle to be damaged, the damage was most likely caused by an external factor such as a pothole or speed bump, and once the axle is replaced it's extremely unlikely that the damage will reoccur. Therefore, I'm satisfied that repair is the most appropriate remedy in the circumstances.

Miss M has said that she's having to replace the tyres every few months as a result of the damage to the axle. While I don't doubt that the damage will cause uneven wear on the rear tyres, Miss M hasn't provided any evidence that the tyres need to be replaced so frequently, and that this is entirely due to the damage to the axle. I'd also consider it highly unusual that the damage is causing brand new tyres to wear out within a matter of months when excessive tyre wear hasn't been noted on any previous MOT. As such, I won't be asking Autolend to cover the cost of any replacement tyres, unless, at the point of repair, the rear tyres are worn to the point where replacement is needed.

Finally, Miss M has commented about how Autolend handled and responded to her complaint. And she wants compensation to reflect the impact this had. However, complaint handling is an unregulated activity and so, falls outside of our service's jurisdiction to consider. So, the way Autolend handled Miss M's complaint hasn't been considered as part of my decision.

Therefore, I see no compelling reason why I shouldn't now adopt my provisional view as my final decision and ask Autolend to do something to put things right.

Putting things right

For the reasons given in my provisional decision and above, Autolend should:

- arrange to repair the damage to the axle/hub on the car supplied to Miss M, at no cost to her (if necessary, this should also include replacing any excessively worn rear tyres); and
- pay Miss M an additional £200 to compensate her for the trouble and inconvenience caused by being supplied with a car that wasn't of a satisfactory quality (Autolend must pay this compensation within 28 days of the date on which we tell them Miss M accepts my final decision. If they pay later than this date, Autolend must also pay 8% simple yearly interest on the compensation from the deadline date for settlement to the date of payment[†]).

[†]If HM Revenue & Customs requires Autolend to take off tax from this interest, they must give Miss M a certificate showing how much tax they've taken off if she asks for one.

My final decision

For the reasons explained, I uphold Miss M's complaint about Lendable Ltd trading as Autolend. And they are to follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 29 December 2025.

Andrew Burford
Ombudsman