

The complaint

Mrs K complains that the car she acquired through MotoNovo Finance Limited wasn't of satisfactory quality. She wants MotoNovo to accept rejection of the car and to have her finance agreement cancelled.

What happened

Mrs K entered into a hire purchase agreement in July 2024 for a used car, with a cash price of £14,540. After taking into account the advanced payment of £500, the balance was to be paid through the credit agreement which was set up over a 60-month term. The monthly rentals were £308.36, which meant the total repayable if the agreement ran to term would be £18,942.60. The car was just over six years old at the point of supply and had been driven more than 68,000 miles.

Mrs K told us:

- She acquired the car in July 2024 and was told that it came with a full-service history, and this was material to her decision to proceed;
- in September – just two months later – she had to add four litres of oil to the car, something that should've been highly unusual for a car that had been recently serviced;
- in April 2025, the car started rattling, with knocking noises coming from the engine, and a well-known roadside recovery firm diagnosed the issue as ignition coil faults;
- two local garages said the car had experienced catastrophic engine failure and would require full engine replacement;
- the supplying dealership wouldn't assist, citing the absence of an extended warranty, and its comments that the issue might have been caused by her driving style were both unhelpful and inappropriate;
- she complained to MotoNovo and she arranged for the car to be independently inspected. The engineer concluded that the car was subject to an oil consumption issue that was likely in development at the point it was supplied;
- the oil consumption fault led to oil starvation and resulted in the engine's catastrophic failure;
- the car now needs a new engine which will cost around £9,000
- she wants to reject the car and be compensated for the fact the car couldn't be driven for many weeks. And Mrs K says MotoNovo should refund her the cost of the engineer's report and other related expenses.

MotoNovo rejected this complaint. It said the engineer's inspection had concluded that the car may have been subject to an oil consumption issue, but it noted that this had been based solely on the fact that Mrs K had provided a receipt confirming she'd bought a four litre can of oil in September 2024; and the fact that the dipstick showed the oil level to be slightly above the maximum line.

MotoNovo noted that the supplying dealership had said that the car had not been returned to it with any concerns since it had been supplied, and Mrs K had been able to drive more than 12,000 miles since supply.

MotoNovo said it had asked Mrs K for permission to contact the engineer to discuss the findings, but she had declined this request. And it said it had enquired about having access to the car so it could appoint another engineer to undertake a further inspection, but Mrs K had declined this as well.

MotoNovo concluded that in the absence of any mechanical evidence that the car had faults that were present or developing at the point of supply, it couldn't uphold this complaint.

Our Investigator looked at this complaint and said he didn't think it should be upheld. He explained the relevance of the Consumer Rights Act 2015 ("CRA") in the circumstances of this case and concluded that although there was a current fault with the car – engine related faults – the evidence from the independent engineer was persuasive; the current issue was not considered to be present or developing at the point of supply.

Our Investigator said although the engineer had concluded the car had an oil consumption issue which was likely present or developing when the car was supplied, the engineer's conclusion was based solely on the fact that Mrs K had provided a receipt for the online purchase of four litres of oil, and there was an absence of any mechanical evidence alluding to, or demonstrating an actual oil consumption issue.

Our Investigator said that on the basis Mrs K had been able to drive more than 12,400 miles since acquiring the car, and because there was no mechanical evidence that there were faults with the car – present or developing – at the point of supply, he couldn't conclude the car was not of satisfactory quality when it was supplied by MotoNovo.

Our Investigator looked at Mrs K's complaint about the car's service history, but he noted that he'd seen nothing that supported Mrs K's position, and in the absence of any evidence, he couldn't conclude that the car's service history had been misrepresented

Mrs K disagreed, so the complaint comes to me to decide. She says that the issues with oil consumption led to inadequate lubrication and resulted in engine knocking and, ultimately, engine failure. Mrs K also says that the service history of the car was misrepresented to her, and she notes the *"similar handwriting across records purportedly years apart"*.

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.

Having done so, I agree with our investigator – I don't think this complaint should be upheld – and I'll explain why.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Mrs K is a regulated consumer credit agreement, this Service is able to consider complaints relating to it. MotoNovo is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 (“CRA”) there is an implied term that when goods are supplied “the quality of the goods is satisfactory”. The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Mrs K was of satisfactory quality or not.

I don’t think there’s any dispute that Mrs K has experienced problems with the car - that has been well evidenced by her testimony and the independent engineer’s report she’s sent us. It’s also clear that MotoNovo doesn’t dispute that there’s a problem. Both parties accept that the car engine needs a full replacement. But just because Mrs K has had problems with the car, and things have gone wrong, it doesn’t necessary follow that the car *supplied* to Mrs K wasn’t of satisfactory quality.

In this particular case, I’ve had the benefit of an independent engineer’s report. But, like our Investigator, I have some concerns with *some* of the conclusions reached, and I’ll explain why.

From reading the engineer’s report, it’s clear they were provided with a clear background that set out the issues described by Mrs K.

I say this because the report background says, *“in April this year my car started making a loud rattling noise, I took this to a local garage that my employer uses and they advised that they felt the wet belt had gone and my engine required to be replaced...I then had the car transported to another garage so they could give me their professional opinion and they said it’s not a wet belt but a timing belt and needs a new engine as they feel that the car has been starved of oil at some point in the past and that this had caused an issue with the engine... When I purchased the car in July last year, I had to top up with the full 4 litres of oil that I purchased from Amazon in Sept”*.

The engineer confirms the presence of the condition reported and complained about – the engine’s knocking noise: *“The garage owner started the vehicle, and we can confirm a rattling noise was noted on start up; however, this cleared within a few seconds” ... “The garage owner then drove the vehicle and we sat as passenger. This was for an approximate half a mile. We can confirm under acceleration a heavy knocking was noted from the bottom end of the engine”*.

The engineer went on to conclude that:

- *“With regards to the engine noise on initial start-up and when placing the vehicle under load, we would consider this would not have been present at the point of sale”*.
- *“The abnormal engine noise currently present, we would consider this would not have been present at the point of sale due to the elapsed time and mileage covered”*.

So, on the basis that the engineer undertook a physical inspection of the car, as well as a road test, and concluded that the engine-related issues – the noise; the knocking; and ultimately the engine failure – were neither present nor developing at the point of sale because of the time that has elapsed and the mileage driven, then I can’t hold MotoNovo responsible for this fault.

Next, I've gone on to consider the engineer's conclusions about oil consumption, and having considered very carefully what they've said, I have the same concerns as our Investigator.

I've seen a copy of Mrs K's invoice for an order of four litres of engine oil, with a stated delivery date of 1 October 2024. And I've noted the engineer's comments in this regard. They said, "*Taking into consideration the vehicle's owner purchased 4 litres of engine oil within two months and one week from the sale and the vehicle required the full 4 litres of engine oil, we would suspect the vehicle has been subject to oil consumption related issues, which we would consider would have been in development at the point of sale*". And they noted that additional testing was unlikely to be possible now due to further engine damage.

But in the absence of any mechanical evidence, I can't conclude the presence of an oil consumption fault simply because Mrs K purchased engine oil and topped up the car with the full four litres.

In this case, the car's engine holds just over four litres of oil. So for Mrs K to have been able to add the full four litres just 10 weeks after the car was supplied, there must have been almost no oil whatsoever in the engine. And I think it's safe to conclude that there's likely only three possible reasons why the car's oil level could have been as low as this just 10 weeks after supply. So I've considered each.

- The car has an oil consumption fault

Under this scenario, having been supplied with the car on 22 July 2024, any oil consumption fault would need to be serious enough for Mrs K to be able to fully add four litres of newly purchased engine oil just 10 weeks later.

On the basis that Mrs K drove more than average annual mileage – she covered more than 12,400 miles in just under 10 months – I would've expected her to need to repeatedly purchase oil every ten weeks or so. And I've seen no evidence that she needed to do this in early December; again in Mid-February; and again in late April before the car was no longer driveable.

- The car experienced a catastrophic oil leak.

There's no claim by Mrs K that the car experienced any significant oil leak. And the possibility of this isn't referenced by the engineer. So, in the absence of any detailed evidence of an oil leak, I'm not persuaded that an oil leak was responsible for the oil needing to be topped up or the resultant engine damage.

- The car was supplied to Mrs K with a low level of oil.

I think this is the most likely explanation, given that:

- Mrs K told this Service that the oil warning light illuminated, and she responded by topping up the oil which she says was the reasonable and proportionate step;
- Mrs K was able to top up the engine with four litres of oil, which is close to the maximum capacity for this type of car. And I note the engineer commented that "*the oil level was slightly above the maximum point*".
- I've seen no evidence that Mrs K needed to add more oil to the engine in the following eight months, something I would've expected had the car possessed an oil consumption fault given the mileage driven.

So, based on the only evidence available – an invoice confirming the purchase of four litres of engine oil – and the absence of any mechanical evidence, I'm not able to conclude that it's *more likely* than not that the car was supplied with an oil consumption fault. And because there's no evidence that the fault with the engine – the knocking noise and subsequent failure – was present or developing at the point of supply, I can't conclude that the car was of unsatisfactory quality when it was supplied to Mrs K by MotoNovo

Finally, I've considered Mrs K's claim that the car's service history was misrepresented to her. Mrs K says she was told the car had a full-service history, she relied upon this, and she questions the integrity of the car's records, claiming that similar handwriting is present on entries in the service history that would have been recorded years apart.

A misrepresentation is a false statement of fact that induces a consumer to enter into something that they wouldn't have entered into otherwise. And in limited circumstances, a misrepresentation can also be an omission of a fact. In other words, where something hasn't been said that should have been.

So what I need to consider is:

- i. whether there was a false statement of fact and, if there was;
- ii. whether the false statement of fact induced Mrs K to enter into the finance agreement.

I've thought about this carefully, but I'm simply not persuaded that Mrs K was told the car came with a full-service history. I've simply seen no evidence to support Mrs K's submissions on this matter. And although Mrs K alleges issues with the handwriting on the car's records, I have to tell her that I'm not a hand-writing expert, and this Service doesn't employ hand-writing experts, so it's not something I will comment on or speculate about.

I know Mrs K will be disappointed by the decision that I've reached. I know she continues to believe that someone bears responsibility for the fact that the car engine needs replacing. But as I've explained, this isn't something for which I can hold MotoNovo responsible. There's simply no mechanical evidence of a fault that was present or developing at the point of supply.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 18 May 2026.

Andrew Macnamara
Ombudsman