

## The complaint

Mr A is unhappy that a car supplied to him under a hire purchase agreement with Tandem Motor Finance Limited (Tandem) was of unsatisfactory quality.

When I refer to what Mr A or Tandem have said or done, it should also be taken to include things said or done on their behalf.

## What happened

In January 2025, Mr A acquired a used car through a hire purchase agreement with Tandem. The car was first registered in October 2020 and had travelled around 44,200 miles. The cash price of the car was £18,995 and he paid a deposit of £2,000. The amount of credit was for £16,995 and the duration of the agreement was 60 months; with 59 monthly payments of £424.31 and a final payment of £434.31.

In April 2025, Mr A reported the car making noises, issues with the engine throttle and turbocharger and electrical problems. The throttle body and crankshaft sensor were replaced under warranty.

Mr A says when the car was returned to him, the knocking noise persisted. He says he tried to contact the dealership about the ongoing faults multiple times without success, so he abandoned the car on its site so he couldn't be held responsible for any more damages. He complained to Tandem about the ongoing issues with the car.

In its final response, Tandem said the car had passed its MOT around the time it was supplied to Mr A and he'd travelled around 7,000 miles in it since. Additionally, an independent engineer considered the symptoms to have arisen as a result of wear and tear since purchase. So it didn't uphold Mr A's complaint.

Our Investigator reviewed matters and noted the MOT Tandem and the independent engineer had relied on was actually carried out in August 2024, not January 2025. So, they considered it possible the faults could've developed between the MOT and the car being supplied to Mr A. They considered the independent report to be mostly inconclusive. And based on the evidence available, they were persuaded the car was of unsatisfactory quality when it was supplied to Mr A. They said Tandem should allow Mr A to reject the car, refund his deposit and some payments for loss of use and pay him £200 for the distress and inconvenience caused.

Mr A accepted our Investigator's recommendation, but Tandem didn't agree with their view. In summary, it said it had provided evidence in the form of an independent report that the symptoms appeared to be caused by wear and tear since supply to Mr A – and this shouldn't be disregarded. It also said it had followed up with the independent engineer regarding the MOT date, and they confirmed this didn't change the outcome of their inspection.

Our Investigator maintained their view that the report was inconclusive. They also noted it didn't include any mention of the previous throttle body and crankshaft sensor repairs, carried out only one month prior to Mr A reporting ongoing issues. So, it's unknown if they

were made aware of this. They gave Tandem the opportunity to ask the independent engineer further questions to establish if the existing faults could be attributed to the previous issues or a possible failed repair, and if they considered the car to be reasonably durable. Tandem didn't agree to this and asked for the case to be referred to an Ombudsman.

As no agreement has been reached, the matter has been passed to me to decide.

### **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.

I think it's important to firstly clarify what this decision will cover. Mr A has raised several concerns about the conduct of the dealership, including it leaving the car parked on yellow lines incurring him parking fines. In this decision, I've only considered Tandem's actions and obligations. The dealership is a separate entity, and I can't hold Tandem liable for its actions unless it acted as Tandem's agent – for example, when arranging to repair a fault.

I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected on something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a reasonable outcome is. 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.

Mr A acquired the car using a hire purchase agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it. The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr A entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. Tandem is the supplier of the car and therefore responsible for complaints about its quality.

The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. In this case those relevant circumstances include, but are not limited to, the age, mileage and cash price of the car at the point of supply. The CRA says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

In Mr A's case the car was used, with a cash price of £18,995. It had covered around 44,200 miles and was around four years old when he acquired it. So, what would be considered satisfactory quality would be different to if Mr A had acquired the same car brand new and at a greater cost. As this was a used car with notable mileage and age, it's reasonable to expect parts may already have suffered wear and tear, and would need to be replaced sooner, when compared to a new car or one that is less travelled.

However, I wouldn't expect the car to be supplied with any significant faults, and I would expect it to be sufficiently safe and durable. And where it's found that a car was not of satisfactory quality when it was supplied, it'd be fair and reasonable to ask the finance provider, in this case Tandem, to put this right.

The CRA sets out that goods which do not conform to the contract at any time within the period of six months, beginning on the day on which the goods were delivered to the

consumer, must be taken not to have conformed to it on that day. Therefore, where a fault occurs within this timeframe, it is down to the finance provider to show there isn't a fault which makes the car of unsatisfactory quality.

In this case, it's not disputed there were faults with the car within the first six months. Repairs were carried out to the throttle body and crankshaft sensor under warranty in April 2025. As these faults were identified within the first six months, it's presumed they were present at point of supply, unless Tandem can prove otherwise – which it hasn't done. And having considered the nature of the faults, I don't think a reasonable person would expect critical components of the engine to fail so soon after acquiring the car.

I've also considered that another element of satisfactory quality refers to durability and the expectation here is that goods will last for a reasonable amount of time. Here, both components that required replacement are generally expected to last a long time and for around 100,000 miles. So, I don't think a reasonable person would expect these to fail at around 50,000 miles on a four-year-old car. In my view, these components appear to have failed prematurely, so I think it's more likely than not they were not sufficiently durable. And because of this, I consider the car was not of satisfactory quality when it was supplied to Mr A.

Following the repairs, Mr A reported the same knocking noise persisting. Tandem arranged for the car to be inspected by an independent engineer, which is what I'd reasonably expect it to do in these circumstances. The report confirms the engineer was instructed to inspect the car and provide an independent assessment regarding the reported issues and determine if the faults were present or developing at point of sale or likely caused by in-service deterioration.

The independent engineer confirmed the presence of a knocking noise from the cylinder head area and three fault codes relating to the camshaft, cylinder misfire and turbocharger under boost condition. They said:

*“These codes indicate potential valvetrain timing issues (possibly related to camshaft followers or timing chain stretch) and turbocharger efficiency concerns.*

*No dismantling of components was undertaken. At this stage, the exact cause of the noise cannot be confirmed but is suspected to relate to worn camshaft followers or associated components.”*

Based on the above, I can be satisfied there's an existing fault with the car causing the symptoms Mr A reported. When considering if the fault was likely to be present or developing at point of supply, the independent engineer concluded:

*“The vehicle's general condition suggests it met minimum MOT standards and was road legal at the point of sale.*

*• The current engine noise is significant and would likely have been evident to a layperson without mechanical knowledge if present at the time of sale.*

*• It is reasonable to conclude that the vehicle would have failed its MOT or been issued an advisory if the current symptoms were apparent during testing.*

*At this time, there is insufficient evidence to confirm that the current fault was developing at the point of sale. The symptoms identified appear to have arisen as a result of in-service wear and tear since the purchase.*

*We recommend the vehicle be taken to a suitably qualified repairer for a full diagnosis. Only following detailed strip-down and inspection would it be possible to determine the precise cause and timeline of the fault's development.”*

These findings were reached based on a passed MOT record dated January 2025. However, it was later confirmed that the document presented to the engineer was a re-print and the MOT relied on actually took place in August 2024, at 40,099 miles. Following this, the car travelled a further 4,000 miles before it was supplied to Mr A.

Tandem asked the independent engineer for their comments on the MOT date and they confirmed:

*“Accordingly, the intention of the report statement was to confirm that the vehicle held a valid MOT at the time of sale and met the required test standard. The reference to “08 January 2025” therefore does not alter any technical conclusions or affect the overall findings of the report.”*

Tandem considers this reaffirms that the fault had arisen due to wear and tear since supply to Mr A, as the independent engineer had confirmed within the report. But having carefully considered the engineer’s report in its entirety, I find this to be a statement made due to there being insufficient evidence of the fault’s existence at point of supply. As above, the engineer recommended a full diagnosis be made by a qualified repairer, which would require a full strip-down and inspection to determine the cause and timeline of the fault’s development. Unfortunately, this didn’t happen. And considering the requirement under the CRA for Tandem to prove there wasn’t a fault with the car that rendered it of unsatisfactory quality, it’s my view that it’s reasonable to have expected it to arrange this.

Additionally, I would’ve expected Tandem to have made the independent engineer aware of the recent repairs carried out and request their expert opinion on whether the existing faults were linked, or the result of failed repairs. I can’t see this happened here. There is no mention of the previous repairs at all throughout the report. Our Investigator gave Tandem the opportunity to obtain further comment from the engineer in relation to this and the car’s durability, but it hasn’t agreed to this.

Without the above, the evidence is largely inconclusive. I therefore need to decide, on balance, what’s more likely than not based on the evidence available.

Having done so, I note Mr A reported ongoing issues with the car to the dealership only a month after repairs were carried out. The symptoms Mr A described don’t appear to be new, rather a continuation of the same symptoms he experienced prior to the repairs. The independent report also refers to faults relating to engine components, which have not been confirmed as new or unrelated to the faults repaired in April 2025. In my view, Tandem has failed to adequately evidence the repairs haven’t failed.

Based on all of the above, I’m persuaded, on balance, that it’s more likely than not the car was of unsatisfactory quality when it was supplied to Mr A, and remained of unsatisfactory quality after Tandem had the opportunity to repair it.

### **Putting things right**

Outside of the first 30 days of the agreement, during which a consumer has a short term right to reject, the CRA says a consumer has a right to reject if the goods do not conform to contract after one repair or replacement. The CRA is clear that, if the single chance at repair fails, then the customer has the right of rejection. It also says where a consumer requires the trader to repair or replace the goods, this must be done within a reasonable time and without significant inconvenience.

With this in mind, I find Mr A has fair grounds to seek rejection of the goods. The car has undergone repairs and I haven't seen sufficient evidence that persuades me the car was brought back to conformity within a reasonable amount of time. I also consider Tandem has had reasonable opportunity to obtain additional evidence to demonstrate exactly what the existing fault is and whether this would've been present or developing at point of sale, or the result of a durability issue, failed repairs, or reasonable wear and tear.

So, Tandem should now end the agreement, refund Mr A's deposit and arrange collection of the car at no cost to Mr A. When cancelling the agreement, Tandem should ensure no adverse information is recorded on Mr A's credit file. The credit agreement should be marked as settled in full, or something similar, and should not show as voluntary termination.

Mr A has had some usage of the car while it's been in his possession – so I think it's fair he pays for this usage. However, while the car was undergoing repairs, the car was off the road between 8 and 24 April 2025 – and he wasn't kept mobile with a courtesy car during this time. Additionally, Mr A has told this service he hasn't used the car since 21 May 2025. I've seen the mileage recorded in October 2025 and I'm satisfied Mr A stopped using the car. And having considered the nature of the fault and the unknown cause, I don't consider this unreasonable. During these periods, Mr A was paying for goods he was unable to use. As I'm satisfied the car was off the road due to it being of unsatisfactory quality when it was supplied, and Tandem failed to keep Mr A mobile, it should refund the payments he made during these periods.

Interest should be added to all refunded amounts, calculated at 8% simple per year from the date of payment until the date of settlement.

Lastly, I've considered that Mr A was inconvenienced by being supplied with a car that was of unsatisfactory quality. He had to make trips to the dealership because of the faults and was left without use of the car for a significant period of time, during which he describes experiencing financial difficulty due to maintaining payments as well as funding alternative travel arrangements. Having carefully considered the overall circumstances of this complaint, I think Tandem should pay Mr A £200 compensation to reflect the distress and inconvenience caused.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold Mr A's complaint about Tandem Motor Finance Limited and direct it to:

- End the agreement with nothing further for Mr A to pay;
- Arrange collection of the car at no cost to Mr A;
- Remove any adverse information in relation to the agreement from Mr A's credit file;
- Refund the deposit paid by Mr A;
- Refund the payments Mr A made between 8 and 24 April 2025, and all payments made from 21 May 2025 onwards, to reflect loss of use;
- Pay 8% simple yearly interest on the refunded amounts from the date of payment until the date of settlement†; and
- Pay Mr A £200 compensation for the distress and inconvenience caused.

†If Tandem considers that tax should be deducted from the interest element of my award, they should provide Mr A with a certificate showing how much they have taken off so he can reclaim that amount, if he is eligible to do so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or

reject my decision before 25 March 2026.

Nicola Bastin  
**Ombudsman**