

The complaint

Mr P is unhappy that a car supplied to him under a hire purchase agreement with Lendable Ltd trading as Autolend (Lendable) was of an unsatisfactory quality.

What happened

In September 2025 Mr P was supplied with a used car through a hire purchase agreement with Lendable. He paid an advance payment of £1,000 and the agreement was for £22,626.09 over 60 months; with 59 monthly payments of £360.25 and a final payment of £346.34. At the time of supply, the car was around three years old, and had done 33,025 miles.

Mr P said he entered into the agreement on 3 September 2025, and collected the car on 16 September 2025. He said that the rear parcel shelf and tyre inflation kit were missing. He said these were replaced about six weeks after he raised it with the supplying dealer.

He said that on 3 October 2025 he found that the spare key wasn't working.

He said that on 23 November 2025 the car had a serious oil leak. He said a third party garage told him the leak was caused by an oil filter that had not been fitted correctly. He said he was told the repair wasn't covered by the warranty so he paid for the repair himself to prevent further damage to the car.

During the repair it was noticed that the timing belt was damaged and needed to be replaced.

He complained to the supplying dealer on 27 November 2025. He said it eventually agreed to pay for the repair to the timing belt, but did not address the oil contamination, his loss of use, safety concerns, loss of confidence in the vehicle, or the consequential losses he had incurred.

Mr P said he lost confidence in the car and in the supplying dealer. He said that given the seriousness of the defects, the duration of the issues, and the breakdown of trust, he did not consider a limited repair to be a reasonable or proportionate remedy. He complained to Lendable in January 2026, but said they failed to issue a final response letter.

Mr P said he wanted to reject the car, have the agreement unwound, all finance payments refunded, and his consequential costs, including hire car costs, reimbursed.

Lendable didn't provide a final response letter. The supplying dealer did, confirming its offer to fully repair the car.

Mr P was unhappy with this response, so he referred his complaint to our service to the Financial Ombudsman Service for investigation.

Our investigator said the car was not of satisfactory quality when supplied – and that repair was a reasonable option. He said that Lendable had said they would arrange for and cover

the cost of the repair to the timing belt – our investigator said he thought this would be fair and reasonable. He said they should put right any residual oil contamination caused by the oil leak.

He also explained why he didn't think Mr P was able to exercise his final right to reject the car. He said that Lendable had the right to repair and Mr P didn't allow this to happen. He said that because Mr P didn't go ahead with the repairs he couldn't say that any delay past 6 January 2026 (when it was agreed Lendable would pay for repairs) was due to the repairs not being done within a reasonable time as a result of Lendable's actions.

Mr P didn't agree with the investigator. He said the proposal that he was offered in January 2026 was materially narrower than the remedy proposed by our investigator. Mr P said he declined the January 2026 offer as he wouldn't have been reimbursed the cost of the oil leak repair, the car would still be contaminated with oil underneath, and there was no offer to reimburse the hire costs he'd incurred.

He also said the history of this complaint created doubt that Lendable and the supplying dealer could carry out the repair without further delay or disruption. Mr P said there should be an independent inspection after the repair to ensure it had been done properly.

He also explained why he didn't think the suggested award for distress and inconvenience fully reflected the delays, loss of use, financial pressure arising from the cost of alternative transport, and the difficulties he'd experienced trying to resolve the situation.

Because Mr P didn't agree, this matter has been passed to me to make a final 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. 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.

I want to acknowledge that I've summarised the events of this complaint to quite some degree. I don't intend any discourtesy this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr P and Lendable B that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Mr P also complained about missed payments recorded on his credit file. This was in relation to an agreement he entered into with another lender for products relating to the car. This is not a linked agreement – it did not form part of the agreement between Mr P and Lendable. It is an agreement he entered into separately, and is not secured on the car that is the subject of the hire purchase agreement with Lendable. So I won't be considering that part of Mr P's complaint. He'll need to raise that issue directly with the provider of that financial product.

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. Mr P was supplied with a car under 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 P entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory 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.

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.

So, if I thought the car was faulty when Mr P took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Lendable to put this right.

Undisputed Fault

In this instance, it's not disputed there was a problem with the car Lendable supplied to Mr P, nor that these faults were present when the car was supplied to him. A local garage has confirmed the oil filter was incorrectly fitted causing an oil leak, and the timing belt needed to be replaced. As such, I'm satisfied that I don't need to consider the merits of this issue within my decision.

The key issue I need to consider is what I think Lendable should do to put things right. They say they should be allowed to repair the car and that any delay had been caused by Mr P. Mr P says that, amongst other things, the offer to repair was not proportionate, and the repair had been delayed and caused him significant inconvenience.

The CRA says that if the car is not of a satisfactory quality, and more than 30 days have passed – as it has here, then the consumer, Mr P, has to give the business, in this case Lendable, one chance to repair the car.

So I'm satisfied repair is the appropriate remedy in this matter.

I have considered whether or not there has been a delay in repairing the car.

Section 23 of the CRA states:

*If the consumer requires the trader to repair or replace the goods, the trader must –
(a) do so within a reasonable time and without significant inconvenience to the consumer*

I'm aware that Lendable have not given a full response. So I've relied on correspondence between the supplying dealer and Mr P. It shows that the supplying dealer informed Mr P on 8 December 2025 that it was entitled to repair the car, and was in contact with the local garage who had diagnosed the fault.

In January 2026 the supplying dealer confirmed it was willing to pay for the repairs, and did so within around five weeks of Mr P raising the issues with them. So I'm satisfied that it authorised the repair in a reasonable time and that means I think that Lendable has complied with Section 23(2)(a) of the CRA. So, in these circumstances, I don't think it's fair or reasonable that Mr P be able to reject the car.

I understand that Mr P has lost trust in the supplying dealer and Lendable. But Mr P remains protected by the CRA. It is clear that if the single chance at repair fails then the customer has the right of rejection.

Also, the first attempted repair is the single chance at repair. What's more, if a different fault arises after a previous repair, even if those faults aren't related, the single chance of repair has already happened – it's not a single chance of repair per fault.

I've carefully considered Mr P's detailed testimony. I'm not persuaded that Lendable (and/or the supplying dealer's) offer to repair was unreasonable or disproportionate. I do agree that they should have also offered to cover some of his other consequential losses. I will deal with that below. But I am satisfied that Lendable's offer to arrange and pay for the repair of the car is the appropriate remedy in this matter.

The spare key

The supplying dealer said the car was provided with one key. Mr P says he has two keys, but one doesn't work. I've not seen the advert for the car, so it's not clear what was provided.

If Lendable provide evidence the car was supplied with only one key (for example, the advert), then they don't need to take any action to resolve this part of Mr P's complaint. Otherwise I'd expect Lendable to arrange for the diagnosis and repair of the spare key if the repairing garage finds fault with it.

Putting things right

Repair

I've explained above why I'm persuaded the car was not of satisfactory quality when supplied - and why repair is the appropriate remedy when considering the circumstances of this case and the relevant law.

Lendable should arrange for and cover the cost of the repair to the timing belt and putting right any residual oil contamination caused by the oil leak. If appropriate they should also arrange for the spare key to be fixed.

Lendable should arrange for a courtesy car to be provided to Mr P for the period of the repair.

Payment Refund

The car was off the road and undrivable since 24 November 2025. An engineer advised Mr P not to drive it, so it was reasonable that he didn't do so. Mr P wasn't supplied with a courtesy car, so he was paying for goods he was unable to use. As, for the reasons already stated, I'm satisfied the car was off the road due to it being of an unsatisfactory quality when it was supplied, and as Lendable failed to keep Mr P mobile, I'm satisfied they should refund the monthly payments he made – from 24 November 2025 to 6 January 2026.

It was at this point that the offer to pay for the repair was made by the supplying dealer. It was agreed the repair would be done by the garage Mr P chose to diagnose the fault. So whilst I understand Mr P's frustrations, I think it would've been reasonable for him to arrange the repair to be done at that point by his preferred garage. That would've mitigated his losses, and he could've continued to dispute the full resolution with Lendable, and this service.

So I won't be asking Lendable to cover any of Mr P's costs after 6 January 2026. Mr P hired a car to keep him mobile. Mr P would have had to pay to keep himself mobile so I don't think it would be fair to refund his monthly payment and his hire costs. So Lendable should refund the additional hire costs: that is the amount of hire costs he paid above the monthly payment under the hire purchase agreement.

Repair Costs

Mr P has provided evidence of the cost he incurred in repairing the oil leak, and the diagnosis of the timing belt issue. I think it was reasonable for him to go ahead with this repair, as it would've prevented further damage to the car. And, given that the car wasn't of a satisfactory quality when supplied, I think it's only fair that Lendable reimburse that cost.

Distress & Inconvenience

It's clear that Mr P has been inconvenienced by having to arrange for the car to be repaired, and he was further inconvenienced by having to arrange for alternative transport. Mr P would not have to do these, had Lendable supplied him with a car that was of a satisfactory quality. So, I think Lendable should pay him £250 in compensation to reflect the distress and inconvenience caused.

Therefore, Lendable should:

- Arrange for and cover the cost of repair to the timing belt, any residual oil contamination, and the spare key (if appropriate);
- refund the monthly payments for the period 24 November 2025 to 6 January 2026;
- refund the additional hire costs Mr P incurred for the period 24 November 2025 to 6 January 2026, as explained above;
- refund the £246.50 cost of the diagnostics and oil repair;
- pay simple interest† using time-weighted average Bank of England base rate + 1 percentage point on all refunded amounts from the date of payment to the date of settlement;
- remove any adverse entries relating to this agreement from Mr P's credit file; and
- pay Mr P an additional £250 to compensate him for the distress and inconvenience caused by being supplied with a car that wasn't of a satisfactory quality.

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

My final decision

For the reasons explained, I uphold Mr P'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 to accept or reject my decision before 19 May 2026.

Gordon Ramsay
Ombudsman