

complaint

Mr P complains about the car he financed through FirstRand Bank Limited, trading as MotoNovo. He says it wasn't serviced and that this has led to an expensive repair. He wants them to pay for this.

background

In July 2016 Mr P took receipt of a used car that he financed through a hire purchase agreement with MotoNovo. The vehicle was supposed to have been serviced and that service would have necessitated an oil and oil filter change.

Mr P later had a problem with the car when it slowed down on the motorway. So he took it to a local garage who said the diesel particulate filter (DPF) needed recharging. Mr P said that whilst they fixed the issue they should also complete a service as the car had now done 19,000 miles since he took receipt of it (the service interval was every 18,000 miles).

The garage noticed that there was a significant problem with the engine. The turbo pipes and the turbo were blocked with degraded oil that had turned to jelly and so was the oil filter and cap.

Mr P sent the filter to a specialist who said it seemed likely that the filter and oil hadn't been changed for 30,000 miles. So Mr P complained to MotoNovo. He said it was clear that the service hadn't been done when he took receipt of the car and he wanted them to pay for the repair to the engine and the oil filter examination he had commissioned.

But MotoNovo didn't think he could demonstrate that the problem was there from the beginning and they said they'd need an independent inspection to show this was the case.

So Mr P commissioned an independent inspection and the inspector took a look at the clogged filter. He said:

"the filter clearly shows a heavily contaminated condition...this condition without any doubt, is not seen as usual...this filter has patently exceeded any expectancy for service life"

He gave the report to MotoNovo but they still refused to pay the bill. They said he'd exceeded the mileage required before completing the necessary service and they spoke to the dealership about the issue. The dealership suggested that the regeneration process that was required to recharge the DPF would create extremes of temperature that could, in their opinion, have been responsible for the damage. So MotoNovo told Mr P that they didn't have enough information to suggest the problem had been created by the service not being completed.

But Mr P wasn't satisfied with MotoNovo's response so he referred his complaint to this service and our investigator reviewed the evidence and asked for more detail from MotoNovo.

They provided an invoice for the filter they said they'd fitted during the pre-sale service. It was clearly allocated to Mr P's car registration and they also provided a service record that showed Mr P's service had been ticked as completed by the garage. But our investigator wasn't persuaded by this evidence. Whilst she understood that this suggested a filter was bought and allocated, and a service was logged, she didn't think it could demonstrate that

the oil and the filter were actually changed. And she said that it seemed most likely they hadn't been. She noted that both the independent inspector and the specialist laboratory report had concurred and she thought it was therefore fair and reasonable for MotoNovo to pay Mr P's repair bill and pay him £150 for the distress and inconvenience he'd been caused.

But MotoNovo disagreed. They still thought there was no proof the issue was there at the point of supply and they suggested an independent inspection was commissioned to look at the turbo pipes as only the filter had been looked at to date. They said they'd pay for this but regardless, they asked for a final decision by an ombudsman.

my findings

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

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Legislation says that goods should not be misrepresented. So if Mr P was told the service was completed but it wasn't and if this was a consideration that supported Mr P's decision to enter into the contract the law says I can hold the supplier of the finance responsible and ask them to put things right.

There's no dispute that the oil filter was clogged with degraded oil and that this led to the need to replace the turbo and related pipework. That pipework has now been replaced so there's no point in commissioning the further inspection that MotoNovo offered to pay for.

What is disputed is how the oil became so degraded. Mr P says this was because it hadn't been changed for so long but MotoNovo say it's likely to have been caused when the DPF was recharged and that Mr P should have had the car serviced earlier.

So I have to decide which opinion I prefer.

Mr P's opinion is supported by the evidence of two experts. The independent inspector has considerable experience and he's clear that the issue is in all likelihood due to the filter (and the oil) not being changed for so long. I think the expert's view is very persuasive. Had the oil been replaced it is difficult to see how the filter could have got in the condition it was unless it hadn't been changed. In either case this would suggest the service hadn't been completed.

Admittedly Mr P was a little late getting the car serviced. It had done 1,000 miles more than was recommended but Mr P was covering a high mileage and he would have completed 1,000 miles in less than a month so I don't think the delay was excessive and I don't think it could account for the oil degrading so much.

The dealership has suggested that the degradation could have happened because of the regeneration process Mr P's garage applied when recharging the DPF filter. They've

provided no additional information to support this assertion and I therefore prefer the independent inspector's view that the most likely cause was a failure to replace the filter and oil in the prescribed timeframe and that this problem had therefore been developing since the point of sale.

For this reason I think MotoNovo should reimburse Mr P's repair bill and I agree with the investigator that £150 is reasonable compensation for the distress and inconvenience Mr P has suffered and that MotoNovo should pay it.

my final decision

For the reasons I've given above I uphold this complaint and ask FirstRand Bank Limited to:

- on provision of the invoice by Mr P, reimburse his repair bill for the damage done to his turbo and associated pipework. 8% simple interest per annum should be added to this bill.
- pay Mr P £150 to compensate him for the distress and inconvenience he's suffered

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 8 April 2018.

Phil McMahon
ombudsman