

complaint

Miss M complains that a car she bought with finance from FirstRand Bank Limited (trading as MotoNovo Finance) did not include the 12-month warranty that she was promised.

background

When Miss M bought a car in May 2015, she says she was told there was a 12-month warranty included, details of which would be posted to her. However, when she went back to the dealership two weeks later for a service, she found it had ceased trading. As she hadn't received information about the warranty, she complained to MotoNovo Finance, enclosing photos of the car advert which mentioned it. MotoNovo Finance said there was no warranty on the hire purchase agreement, but offered Miss M £50 as a goodwill gesture.

Our adjudicator did not recommend the complaint should be upheld. She explained that MotoNovo Finance could not be held responsible for the warranty as it was not included on its agreement. She found its offer of £50 to be fair and reasonable.

Miss M responded to say, in summary, that she wanted to reject the car without a warranty, she had already arranged for the DVLA documentation and paid for a service and she felt as if she was being accused of lying.

my findings

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

I have no doubt that Miss M was misled by the dealership at the time she bought the car. I have seen the advert that says a warranty is included and Miss M says an enhanced warranty was offered on the day she bought the car. That said, the warranty company has also said it had been told by the dealership it would no longer be buying warranties a few months before Miss M's purchase.

Although I am satisfied that Miss M was told a warranty would be included, I have also looked at the hire purchase agreement. A finance company can only be held responsible for the product or service for which it is providing finance. In this case, the hire purchase agreement only includes finance for the car. So I cannot conclude that MotoNovo Finance is obliged to arrange a warranty for Miss M and find its offer of £50 to be fair and reasonable.

my final decision

My decision is that FirstRand Bank Limited (trading as MotoNovo Finance) should pay Miss M £50 as it has offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 9 November 2015.

Amanda Williams
ombudsman