

## **complaint**

Miss B complains about problems with a car that was supplied to her under a hire purchase agreement with FirstRand Bank Limited, trading as MotoNovo Finance.

## **background**

A used car was supplied to Miss B in November 2014 under a hire purchase agreement with MotoNovo Finance. The following month she complained to the supplier about a burning smell and a squeaking noise when she drove the car. The burning smell was coming from the clutch so it was replaced. But despite the car regularly being returned to the supplier for diagnosis and repairs, the cause of the squeaking noise was not properly identified. Miss B complained to MotoNovo Finance in September 2015. It commissioned an independent report before the manufacturer identified the cause as non-genuine parts being used. The supplier agreed to pay for the repair costs and MotoNovo Finance offered to reimburse £180 to Miss B for the periods that she did not have the car and to pay her £200 compensation for her distress and inconvenience. Miss B didn't accept its offer and complained to this service.

The adjudicator recommended that this complaint should be upheld. He concluded that the fault with the car had been misdiagnosed over a 14 month period but that it was now accepted by all parties that the fault was present when the car was supplied to Miss B. So he said that MotoNovo Finance was liable for covering the cost of the repairs and reimbursing monthly payments for when Miss B didn't have use of the car. He also said that the car has now been repaired with the costs covered by MotoNovo Finance – and it had also offered to reimburse £180 for the periods Miss B didn't have use of the car – he was satisfied that that was reasonable. But he considered that, taking into account everything that had happened and the length of time that Miss B had spent dealing with the problem, MotoNovo Finance should increase its offer of compensation by £300 to £500.

MotoNovo Finance has accepted the adjudicator's recommendations. But Miss B has asked for her complaint to be considered by an ombudsman. She says, in summary, that she has been extremely patient and reasonable – but she feels that the car should never have been sold to her in such a poor condition and the issues could've been resolved much sooner. She says that she has continued to make the monthly payments on time despite the fact that she had limited use of the car over 14 months due to a fault beyond her control. So she says that she is justified to request £2,500 compensation – which is under half of what she has paid to MotoNovo Finance.

## **my findings**

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

There have clearly been unacceptable delays and errors in the fault with Miss B's car being correctly identified. But the car has now been repaired at no cost to her – as it should've been. So I must consider the compensation that should be paid to her - both to reimburse her for the periods that she hasn't been able to use the car and to compensate her for the distress and inconvenience that she's been caused. The adjudicator recommended that she should receive a total of £680 – and MotoNovo Finance has accepted that recommendation. But Miss B has asked for compensation of £2,500.

When I consider the overall circumstances of this case, I find that a payment from MotoNovo Finance to Miss B of £680 is fair and reasonable. Miss B was able to use the car to drive more than 7,000 miles between November 2014 and January 2016. And I understand that she was unable to use the car for approximately 18 days during that period because it was at garages. So I find that £180 for the time that she didn't have use of the car and £500 for her distress, inconvenience and loss of enjoyment are fair and reasonable in the circumstances. I find that it wouldn't be fair or reasonable for me to require MotoNovo Finance to pay a higher amount of compensation to Miss B— and I'm not persuaded that there's enough evidence to justify a payment to her of £2,500.

### **my final decision**

So my decision is that I uphold Miss B's complaint in part. In full and final settlement of it, I order FirstRand Bank Limited, trading as MotoNovo Finance, to:

1. Reimburse £180 to Miss B for the time that she didn't have use of the car.
2. Pay £500 to Miss B to compensate her for the distress and inconvenience that she's been caused and the loss of enjoyment that she's suffered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 11 April 2016.

Jarrold Hastings  
**ombudsman**