

complaint

Mr P complains that a car that was supplied to him under a hire purchase agreement with Advantage Finance Limited was not of satisfactory quality.

background

A used car was supplied to Mr P in May 2015 under a hire purchase agreement. Within a few days he says that a fault developed with the car's diesel particulate filter. The diesel particulate filter was modified. Mr P was then able to use the car to drive more than 12,000 miles before a major engine fault occurred in October 2015. Mr P complained to Advantage Finance but wasn't satisfied with its response so complained to this service.

The adjudicator recommended that this complaint should be upheld in part. She concluded that there was a fault with the diesel particulate filter at the point of sale (otherwise Mr P wouldn't have needed to take the car back to the dealership within a week and the dealership wouldn't have attempted a repair). She also concluded that the appropriate remedy would've been to have the diesel particulate filter replaced - and Advantage Finance agreed to pay for it to be replaced. An independent report has been provided which says that there was no link between the diesel particulate filter modification and the engine failure in October 2015. So the adjudicator didn't think that Advantage Finance should be held responsible for that.

Mr P has asked for his complaint to be considered by an ombudsman. He has responded in detail and says, in summary, that:

- he was not aware that the modification to the diesel particulate filter was illegal for road use or would cause the engine to fail after less than five month's use;
- the car should've been fit for purpose and lasted longer than it did;
- Advantage Finance has not intervened or assisted him;
- the independent assessment is not independent as the assessor is used regularly by Advantage Finance;
- he should be allowed to reject the car and have all monies paid refunded to him (including the four tyres fitted, insurance and road tax paid) and compensation for time lost from work and damage to his credit history; and
- a further investigation should be performed to prove that the modification to the diesel particulate filter caused the engine failure.

Advantage Finance has also provided additional comments. It says, in summary, that:

- it has refused Mr P's request to pay for the car to be transported from the location where he left it to the garage of his choice;
- this complaint is the result of a performance modification that Mr P requested, without Advantage Finance's knowledge or consent and in contravention of the agreement terms;
- Mr P was satisfied with the car after purchase and wrote in a text message: "*car's perfect ...*"; and
- it suspects that Mr P is no longer able to pay for the car and that his complaint is a way to get out of the agreement.

my findings

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

Advantage Finance has agreed to pay for the diesel particulate filter on Mr P's car to be replaced. It has provided a quote for the work and would pay the garage for the work when it was completed.

But I don't find that the engine failure that occurred in October 2015 resulted from any fault with the car that was present when it was supplied to Mr P. And I am not persuaded that there is enough evidence to show that it was caused by the modification to the diesel particulate filter. Mr P has been able to use the car to drive more than 12,000 miles since the car was supplied to him and the filter was modified. So I find that it wouldn't be fair or reasonable for me to require Advantage Finance to pay for any repairs to the car, other than as described above. And I don't find that it would be fair or reasonable for me to allow Mr P to reject the car or to cancel the hire purchase agreement in these circumstances.

my final decision

So my decision is that I uphold Mr P's complaint in part. In full and final settlement of it, I order Advantage Finance Limited to pay for the replacement of the diesel particulate filter on Mr P's car.

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

Jarrold Hastings
ombudsman