

The complaint

Mrs C has complained about the quality of a car she acquired using a finance agreement with First Response Finance Ltd.

Mrs C has been represented in bringing her complaint. But for clarity, I'll refer to all submissions made on her behalf, as having been made by her directly.

What happened

Mrs C entered into a finance agreement for a used car. At the point of supply, it was seven years old and had 43,911 miles on the clock. One and a half years later, Mrs C reported a problem with the engine. However, First Response didn't think it was responsible for this, so Mrs C brought a complaint to our service.

One of our investigators looked into what had happened. But he didn't think the complaint should be upheld. He was satisfied, on balance, that the fault hadn't been present, or developing, at the point of supply. This was because the problem hadn't manifested itself until a year and a half after the car was supplied, and had covered a further 12,000 miles.

He was also persuaded by an independent assessment that was carried out, which concluded that the issue wasn't present, or developing, at the point of supply. Rather, it was consistent with an interruption in oil supply to the bottom of the engine. Although he was aware that an oil leak was investigated in March 2021, the dealership had repaired this. And once it was repaired, an MOT was passed with no advisories, six months passed and a further 5,000 miles were completed without any issues. So, he didn't think it likely that the repair had failed.

Mrs C disagreed. She feels there was a further oil leak. She also believes this was present at the point of supply, and the car had likely already suffered damage, which caused the engine to blow up. She explained she's always maintained the car's oil levels. She also said that the warranty, which was also financed by way of the agreement, was mis-sold.

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 agree with our investigator's findings, and for the same reasons he gave. I know this will be very disappointing for Mrs C, but I'll explain why. Where I don't refer to specific submissions, this isn't because I haven't considered them. Rather, I've focused on what I consider to be the key issues, to allow me to reach a fair outcome.

I'm satisfied, on balance, that the oil leak, which was reported after Mrs C had the car for just under six months, was repaired. I've seen nothing to persuade me that it was either present at the point of supply, or that the repair failed. The inspection report also supports there likely not being an issue at the point of supply. Although I appreciate that Mrs C feels there was a problem at the point of sale, which ultimately led to the engine issues, I don't think there's

enough evidence for me to find this, on balance – particularly given the time that had passed, the mileage covered in that time, and the report's findings.

As regards the warranty, I've seen nothing to suggest it was mis-sold. The fact a claim was declined, based on the terms and conditions, isn't sufficient to show this.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 27 December 2023.

Elspeth Wood
Ombudsman