

## The complaint

Miss J is unhappy that a car supplied to her under a hire purchase agreement with Oodle Financial Services Limited was of an unsatisfactory quality.

## What happened

In January 2023, Miss J was supplied with a used car through a hire purchase agreement with Oodle. The agreement was for £5,745 over 60 months; with an initial payment of £203.44, 48 monthly payments of £153.44 and a final payment of £203.44. At the time of supply, the car was just over nine years old, and had done 101,663 miles (according to the MOT record for 25 January 2023).

Miss J complained she was having issues with the car – the fuel injectors had failed, there were electrical issues with the car caused by water ingress, and the touchscreen and radio weren't working. After having no response from the supplying dealership, and the car breaking down, Miss J complained to Oodle.

Oodle arranged for an independent engineer to inspect the car. This inspection took place on 11 July 2023, at which point the car had done 102,829 miles – 1,166 miles since it had been supplied to Miss J. The engineer said there was a fault with the car's infotainment system, as well as fault codes present relating to various systems, including the fuel injectors. However, the engineer said there were no signs of water ingress into the ECU or its surrounding location.

The engineer concluded that *"the ECU has suffered from a sudden electrical fault which can happen at any time [and] we would consider the fault[s present] would not have been present or developing at the time of purchase."* Based on this report, Oodle didn't uphold Miss J's complaint, so she brought it to the Financial Ombudsman Service for investigation.

Our investigator said that, while there were faults with the car, there was no evidence they were present or developing when the car was supplied to Miss J. As such, the investigator thought the car was of a satisfactory quality when supplied, and components had failed due to normal in-service wear and tear.

Miss J had also raised the issue of a damaged locking wheel nut, which she says needed to be cut off. The investigator also didn't think this made the car of an unsatisfactory quality and said the damage could've happened at any time. So, she didn't think Oodle needed to do anything more.

Miss J didn't agree with the investigator. She said the seat belts were mouldy when the car was supplied to her, and the supplying dealership should've known that the fuel injectors and timing chain were coming to the end of their natural life and replaced them before the car was sold.

With regards to the wheel nut, Miss J said there was a receipt in the logbook for replacement tyres just before the car was supplied to her, *"so it shows the locking nut was fine then."*

Finally, Miss J said *“the electrical issues are caused by months and months if not months over a year of water slowly leaking into the ecu”*; and the warranty doesn’t cover the fuel injectors as this isn’t a major engine fault, although she believes that it is.

Because Miss J didn’t agree, this matter has been passed to me to make a final decision.

### **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’ve reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I’ve reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I’ve had regard to the relevant law and regulations; any regulator’s rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Miss J was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we’re able to investigate complaints about it.

The Consumer Rights Act 2015 (‘CRA’) says, amongst other things, that the car should’ve been of a satisfactory quality when supplied. And if it wasn’t, as the supplier of goods, Oodle are responsible. What’s satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle’s history and its durability. Durability means that the components of the car must last a reasonable amount of time.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it’s assumed the fault was present when the car was supplied, unless Oodle can show otherwise. But, where a fault is identified after the first six months, the CRA implies that it’s for Miss J to show it was present when the car was supplied.

So, if I thought the car was faulty when Miss J took possession of it, or that the car wasn’t sufficiently durable, and this made the car not of a satisfactory quality, it’d be fair and reasonable to ask Oodle to put this right.

I’ve seen a copy of the independent engineer’s report, dated 11 July 2023. The key parts of this report have already been referred to above. The engineer also confirmed their duty is to the courts, not to the person who instructed or paid for the report. As such, I’m satisfied this report is reasonable to rely upon.

While the engineer’s report says the faults with the car weren’t present or developing when the car was supplied, Miss J has had the opportunity to provide evidence, such as a report from a garage or other independent engineer, to refute this. But she hasn’t done so. And I haven’t seen anything else that would indicate the independent engineer’s report was incorrect. As such, and while I appreciate this will come as a disappointment to Miss J, I’m satisfied the car was of a satisfactory quality when it was supplied to her. And it’s more likely than not that the faults with the car were as a result of in-service wear and tear, and parts reaching the end of their natural life.

I've noted Miss J's comments about the car. While I agree that long-term water ingress can cause electrical issues, the independent engineer's report is clear that there's no evidence of any water ingress to the ECU or the surrounding area. As such, I'm not satisfied the electrical faults were as a result of a water leak that was present when the car was supplied, and I'm inclined to accept the independent engineer's opinion that the ECU failed due to a sudden electrical fault.

With regards to the fuel injectors and timing chain, these parts have reached the end of their natural life. I wouldn't necessarily expect the dealership to have replaced these before the car was sold, and had they done so I would expect this to be reflected in a higher selling price. I've also seen nothing to show me the dealership indicated these parts had been replaced before the sale, or that Miss J asked for this to be done. As such, I don't think the sale of the car was misrepresented in any way, or that Miss J was induced to buy the car on the basis that certain parts had been replaced, when they hadn't.

Finally, with regards to the wheel nut, Miss J has said the tyres were replaced just before the car was supplied to her. And this would mean the wheel nut was undamaged at the time. I'm inclined to agree with this, as if the wheel nut was damaged, it would've needed to be cut off at that point, then replaced. As such, I think it's more likely than not that the damage to the wheel nut occurred after the car was supplied to Miss J. And, even if this wasn't the case, I'm not satisfied that a damaged wheel nut would mean the car was of an unsatisfactory quality.

So, given the above, I won't be asking Oodle to do anything more.

### **My final decision**

For the reasons explained, I don't uphold Miss J's complaint about Oodle Financial Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 4 January 2024.

Andrew Burford  
**Ombudsman**