

The complaint

Miss D complains that MotoNovo Finance Limited (MotoNovo) supplied her with a vehicle that was not of satisfactory quality.

What happened

Miss D is represented in her complaint, but for clarity I will refer to Miss D throughout my decision.

On 26 April 2022 Miss D acquired a car with a hire purchase agreement provided by MotoNovo. The purchase price was £6,518.00 repayable by 47 monthly repayments of £160.80 followed by a payment of £161.80 which included an option to purchase fee. The car was over eight years old and had travelled 83,667 miles.

On 8 February 2023, Miss D took the car back to the dealer on 8 February 2023 because it was sluggish, but unfortunately the garage was unable to book her in until 23 February 2023. On 23 February 2023, Miss D called the RAC as the car wouldn't start. After inspection it was found that the timing chain had broken leading to engine failure and would require a new engine.

On 24 February 2023, Miss D called MotoNovo to complain and asked MotoNovo to help with the cost of repair as she'd only had the car since April 2022. The representative explained that because the car had been supplied more than six months before the engine failed, she would need to show the fault was either present or developing at the time it was supplied. The representative provided details of several mechanical engineers and suggested Miss D have an independent report carried out on the car. MotoNovo said if it was found to have had a fault present or developing at the point of sale it would pay up to £250 towards the cost of the independent report.

On 1 March 2023, Miss D's representative contacted MotoNovo and explained she'd contacted two engineers who'd explained it wasn't possible for them to be able to say the problem was a pre-existing fault. She went on to say Miss D had received details from the dealer at the point of supply which confirmed the next service was due in either April 2023 or after the car had travelled 11,141 miles. As the odometer showed the car had travelled a total of 93,000 miles the car wasn't due to be serviced so the fault wasn't due to a lack of maintenance by Miss D.

On 15 March 2023, MotoNovo issued its final response. It didn't uphold Miss D's complaint as there was no evidence the fault with the timing chain was present or developing at the point of supply.

Dissatisfied, Miss D brought her complaint to this service.

An investigator looked into things for Miss D. He didn't uphold her complaint. In his view he said although he was satisfied there was a fault with the car, there was no evidence to suggest the fault was present or developing at the point of sale and as such he didn't ask MotoNovo to do anything further.

Miss D disagreed. She feels it is unfair and unreasonable to own a car for 8 months and have an issue occur that causes the engine to fail. She says she has other ongoing issues with the car and remains of the view it was not of satisfactory quality.

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 have independently reached the same outcome as that of our investigator. I appreciate this will come as a disappointment to Miss D, I'll explain why.

I'm very aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances. In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

The hire purchase agreement in this case is a regulated consumer credit agreement – therefore this service can consider a complaint relating to it. There are various rules and protections about how hire purchase agreements operate, including those set out in the Consumer Credit Act 1974 ("CCA") The CCA is therefore relevant law in this complaint. Motonovo is also the supplier of the goods (i.e., the car) under this type of agreement, and responsible for a complaint about their quality. The CRA in particular sets out some of the responsibilities of a supplier in relation to the quality of goods it supplies. The CRA is therefore also relevant law in this complaint. The CRA says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory". To be considered "satisfactory", the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and all the other relevant circumstances. So, it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age of the car when supplied and when the issue that the consumer complains about first arose.

In this case, the car was over eight years old and had already travelled over 83,667 miles. So, I think a reasonable person would expect it to have some wear and tear present with limited components to be reaching the end of their working life. Here, the car broke down after Miss D had had the car in her possession for ten months and had driven an additional 10,000 miles.

Because Miss D had the car for ten months Motonovo suggested an independent report to assess whether there was a fault present or developing at the point of supply. It offered to pay £250 if the report suggested this was the case. So far as I can see Miss D sought the opinion of an independent engineer who provided her with some guidance rather than

having the car inspected. The independent engineer she spoke to confirmed that timing belts fail in service due to wear and tear or lack of maintenance. In the absence of an inspection or full independent report I'm not able to conclude that there is any evidence a fault was present or developing at the point of sale given the number of miles travelled since Miss D took ownership. On balance I find it more likely than not this is a wear and tear issue.

As I'm not persuaded the fault was present or developing at the point of supply, then I need to consider whether this car was as durable as would reasonably be expected. As set out, this car wasn't new so it wouldn't be expected to be fault free. Looking at its age and mileage, then I think a reasonable person would expect maintenance and repairs within a reasonable period of time after acquiring it. This is because parts had been subjected to wear and tear over time due to use and this would include the timing chain.

I think a reasonable person would consider that the car had been sufficiently durable for its age and mileage prior to the fault occurring. Miss D had been able to use it for ten months and driven nearly 11,000 miles in it during that time. It is very unfortunate that the failure of a timing belt or chain can have an impact on the engine causing costly repairs but because there is no evidence to the contrary I don't find that there is evidence of a fault at the point of supply and I'm persuaded the time that elapsed, and the distance travelled between the car being supplied and the engine failure, make it more likely than not the fault was due to normal wear and tear. Although I know Miss D will be disappointed, I won't be asking Motonovo to do anything further.

My final decision

For the reasons I have given I don't uphold this complaint and I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 18 September 2023.

Wendy Steele
Ombudsman