

The complaint

Miss Y complains about the quality of a car she has been financing through an agreement with Moneybarn No. 1 Limited ("Moneybarn"). She says Moneybarn told her she could reject the car and to leave it with the dealership and she is disappointed they have subsequently disputed this and chased her for payment.

Miss Y has been represented by her mother in this complaint but for ease, and because the finance agreement is in Miss Y's name, I will refer to her throughout this decision.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my 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.

I know it will disappoint Miss Y, but I agree with the investigator's opinion. Please let me explain why.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss Y acquired her car under a conditional sale agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The relevant law says, amongst other things, that the car should have been of satisfactory quality when supplied. If it wasn't then Moneybarn, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they 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.

I understand that Moneybarn have been unable to find the call Miss Y says she had with them when she was told she could reject the car. As that call recording isn't available I've considered the evidence that is available in order to make a decision on this issue. I've had access to Moneybarn's file notes which show all communications with Miss Y.

I don't think there is evidence that Moneybarn told Miss Y she could reject the vehicle and end the finance agreement she had with them.

I can see she told the business she was having problems with the car. A file note generated on 5 August 2019 notes that the dealership have offered to repair faults on the car and a further note on 10 September 2019 says Miss Y's representative had explained she was still having problems with it entering limp mode and with a gearbox and handbrake fault. It adds that the consumer has explained "*if no courtesy car will leave vehicle on dealership's forecourt*" and the adviser notes that they've explained the risks of taking that action.

I don't think that suggests the business told Miss Y she could reject the car.

I've seen that the business sent frequent missed payment emails and text messages after that. Messages were sent in October, November and December 2019 and a default notice was sent in January 2020. But it wasn't until late January 2020 that Miss Y's representative got in touch with the business. I think it must have been very clear over the preceding months that the business hadn't accepted rejection of the car and, as payments hadn't been received, I can't say Moneybarn were unreasonable sending arrears emails and a default.

Overall I am not persuaded sufficient evidence has been provided to suggest Moneybarn agreed to the rejection of the car or that the car wasn't of satisfactory quality. I don't think they need to take any further action.

My final decision

For the reasons I've given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Y to accept or reject my decision before 22 July 2021.

Phillip McMahon
Ombudsman