

## **The complaint**

Mr U complains that a car he has been financing through an agreement with Moneybarn No. 1 Limited ("Moneybarn") was misrepresented to him.

## **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 Moneybarn, 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.

Mr U acquired his 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.

There's no longer a dispute that the car was misrepresented to Mr U. It was advertised with a lower mileage than was recorded in the MOT completed only a month before Mr U took receipt of the car.

Moneybarn calculated that had the car been sold with the correct mileage it would have been worth £300 less. So, they said they'd reduce Mr U's account balance by £300 and that would also reduce the amount of interest payable.

Mr U decided to voluntarily terminate his agreement. In order to do so he would have had to have paid half of the amount due (£6,478.88). But as he'd already paid that before the discount was applied he didn't benefit from that discount.

I'd agree that £300 is a fair discount given the scale of the misrepresentation. I don't think Moneybarn need to refund anymore than that as Mr U clearly had full use of the car until he terminated the deal and it's only fair he pays for that usage.

### **Putting things right**

As Mr U hasn't benefitted from the discount Moneybarn promised I think they should pay the £300 to him in cash.

Moneybarn also paid Mr U £250 in respect of the distress, inconvenience and delay caused. I think that was reasonable in the circumstances and I'm not asking them to pay any more.

### **My final decision**

For the reasons I've given above I uphold this complaint and tell Moneybarn No. 1 Limited to pay Mr U £300 in respect of the misrepresentation that took place.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 21 March 2022.

Phillip McMahon  
**Ombudsman**