

The complaint

Miss J complains that Moneybarn No. 1 Limited refused to assist her with a faulty car.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute so instead I'll focus on giving the 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons:

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulator's rules, guidance and standards and codes of practice and (where appropriate) what I consider to have been good industry practice at the time.

The finance agreement, that is the hire purchase agreement, in this case is a regulated consumer credit agreement. As such this service is able to consider complaints relating to it. Moneybarn is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The relevant law says that under a contract to supply goods, there is an implied term that *"the quality of the goods is satisfactory"*.

The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all 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 and the mileage at the time of sale and the vehicle's history.

Under the relevant law the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods.

Miss J encountered a number of issues with the car within the first six months and these were addressed by the dealer. However, not all of the repairs were fully effective and Miss J is left with a car which has some defects. The faults are not such that they merit rejection, but they are more than matters of wear and tear. As such I think it only fair that these be repaired properly. For the avoidance of doubt the faults were to the:

- Nearside front window
- Tyre pressure light

- Hazard light
- Bluetooth
- USB port
- Radio

It is also possible that some of those issues no longer exist and so they may not need to be repaired.

Miss J raised further issues in August 2020 and in August 2021 she said that she had further electrical problems which she believed were present in the car when she acquired it. While I have some sympathy with her I have to bear in mind the fact the car was second hand and had covered some 50,000 miles at the time of sale. She has also been able to make reasonable use of it and while her use may not have been fully fault free I do not consider Moneybarn need do more than suggested by our investigator.

Putting things right

The business should cover the cost of the relevant repairs and pay compensation.

My final decision

My final decision is that I uphold this complaint and I direct Moneybarn No. 1 Limited to:

- repair the car at no cost to Miss J and provide a suitable alternative vehicle whilst the car is being repaired. This covers only to those issues which arose in the first six months.
- compensate Miss J £200 for the inconvenience
- pay her pro rata reimbursement for the time the car was with the retailer for the two previous repairs.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 12 October 2021.

Ivor Graham
Ombudsman