

## **The complaint**

Mrs M complains that a car that was supplied to her under a conditional sale agreement with Moneybarn No. 1 Limited wasn't of satisfactory quality.

## **What happened**

A used car was supplied to Mrs M under a conditional sale agreement with Moneybarn that she signed in October 2019. She contacted Moneybarn about an issue with the wheel bearings in November 2019 and said that the car hadn't been properly inspected before it was supplied to her. The issue with the wheel bearings was repaired by the dealer. Moneybarn agreed a payment holiday with Mrs M in April 2020 and when that ended she complained to it about issues with the boot locking mechanism and the handbrake.

It said that there was no evidence to show that there was an inherent or developing issue with the car's boot locking mechanism or handbrake at the point of sale and that Mrs M was unable to substantiate those claims so it was unable to uphold her complaint. Mrs M wasn't satisfied with its response so complained to this service and stopped making payments to Moneybarn. She says that she can no longer use the car because of her disabilities and wants to reject it.

Moneybarn then said that it would pay for the cost of investigating and, if appropriate, repairing the fault with the boot locking mechanism if Mrs M provided it with a diagnostic report and a quote for the work from a VAT registered garage. It said that it would credit her account with £99 as a goodwill gesture to recognise the potential lack of a 99 point check at the point of sale and £243.58 as a reimbursement of one monthly payment for her lack of use of the car when the car was repaired in November 2019. It also said that it would pay her £150 to recognise the distress and inconvenience caused as a result of these matters.

Our investigator didn't feel that the car was of unsatisfactory quality so he couldn't ask Moneybarn to end the agreement and collect the car. He felt that the settlement to repair the car and the offer made by Moneybarn was fair and reasonable in the circumstances of this complaint. He said that Moneybarn has a responsibility to record a true and accurate reflection of a customer's repayment history but he would ask if Moneybarn would be prepared to remove the negative information should Mrs M accept the settlement, but it hasn't responded to that request.

Mrs M didn't accept that offer and has asked for her complaint to be considered by an ombudsman. She says, in summary, that Moneybarn has admitted that the 99 point check wasn't completed and she complained about that in November 2019 so the car was mis-sold to her and she should be able to reject it.

## 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 our investigator for these reasons:

- Moneybarn, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mrs M - whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it;
- the car that was supplied to Mrs M was about four years old, had been driven for 71,878 miles and had a price of £7,860;
- satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will also depend on a number of factors;
- the car was supplied to Mrs M in October 2019 and she complained to Moneybarn in November 2019 about an issue with a wheel bearing and that the car hadn't been properly inspected before it was supplied to her – the issue with the wheel bearing was repaired by the dealer later that month;
- Moneybarn's contact notes show that it discussed the payments on her account with her between November 2019 and July 2020 (and a payment holiday was agreed in April 2020) but I've seen no evidence to show that Mrs M complained to Moneybarn about an issue with the car's boot locking mechanism or its handbrake until July 2020 (about nine months after the car was supplied to her);
- if there had been issues with the car's boot locking mechanism or handbrake when the car was supplied to Mrs M, I consider that it would be reasonable to expect her to have complained to Moneybarn about those issues sooner than she did;
- I'm not persuaded that there's enough evidence to show that there was an issue with the car's boot locking mechanism or handbrake that was present or developing when the car was supplied to Mrs M – but Moneybarn has said that it would pay for the cost of investigating and, if appropriate, repairing the fault with the boot locking mechanism if Mrs M provided it with a diagnostic report and a quote for the work from a VAT registered garage;
- Mrs M says that she was told that the car had had a 99 point check before it was supplied to her but that didn't happen so the car was mis-sold to her and that she should be able to reject the car;
- I've not seen any evidence to show that the car did have a 99 point check but it passed an MOT test in September 2019 and I'm not persuaded that it's likely that the issues with the car that she's complained about would have been identified if such checks had been completed - and the dealer has repaired the issue with the wheel bearing;
- Mrs M's says that her disabilities are worsening and that she's unable to use the car - I understand that she hasn't been able to drive the car for some time due to her disabilities, that she now qualifies for a mobility allowance and thinks that having an automatic car would be easier for her and I appreciate how upsetting and frustrating having a car that she's unable to drive must be for her - but she entered into a conditional sale agreement with Moneybarn in October 2019 and agreed to the car being supplied to her on the terms set out in the agreement and her disabilities worsening doesn't mean that she's able to end the agreement or reject the car;

- as well as its offer to investigate and repair the fault with the boot locking mechanism, Moneybarn said that it would credit Mrs M's account with £99 as a goodwill gesture to recognise the potential lack of a 99 point check at the point of sale and £243.58 as a reimbursement of one monthly payment for her lack of use of the car when the car was repaired in November 2019, and that it would pay her £150 to recognise the distress and inconvenience caused as a result of these matters - it also agreed a payment holiday with Mrs M in April 2020;
- I sympathise with Mrs M for the issues that she's had with the car, the other issues that she's described including her worsening disabilities and the financial difficulties that she's experienced, but I'm not persuaded that the car was mis-sold to her or that it would be fair or reasonable for me to require Moneybarn to allow her to reject the car;
- I consider that the offer that Moneybarn has made to Mrs M is fair and reasonable in the circumstances of her complaint and I don't consider that it would be fair or reasonable for me to require it to take any other action in response to her complaint - but I suggest that Mrs M contacts Moneybarn to ask about her options for returning the car and ending the agreement;
- Mrs M stopped making payments to Moneybarn in April 2020 and it has recorded missed payments on her credit file – Mrs M had complained to this service but that didn't mean that she didn't have to continue make the payments to Moneybarn;
- I consider that the adverse information that Moneybarn has recorded on her credit file is a true and accurate record of her payment history and I'm not persuaded that it would be fair or reasonable in these circumstances for me to require Moneybarn to remove that information; and
- Moneybarn is required to respond to any financial difficulties that Mrs M is experiencing positively and sympathetically – it agreed to a payment holiday with her in April 2020 – but I suggest that she also contacts Moneybarn about the arrears on her account and the monthly payments under the agreement and tries to agree an affordable repayment arrangement with it that take account of her financial difficulties.

### **Putting things right**

Moneybarn has said that it will pay for the cost of investigating and, if appropriate, repairing the fault with the boot locking mechanism if Mrs M provides it with a diagnostic report and a quote for the work from a VAT registered garage. It has also said that it will credit her account with £99 as a goodwill gesture to recognise the potential lack of a 99 point check at the point of sale and £243.58 as a reimbursement of one monthly payment for her lack of use of the car when the car was repaired in November 2019. It has also said that it will pay her £150 to recognise the distress and inconvenience caused as a result of these matters. I consider that to be a fair and reasonable response to Mrs M's complaint.

### **My final decision**

My decision is that Moneybarn No. 1 Limited should:

1. Pay for the cost of investigating and, if appropriate, repairing the fault with the boot locking mechanism if Mrs M provides it with a diagnostic report and a quote for the work from a VAT registered garage.
2. Credit a total of £342.58 to Mrs M's account.

3. Pay (not credit) £150 to Mrs M to compensate her for the distress and inconvenience that she's been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 9 December 2021.

Jarrold Hastings

**Ombudsman**