

The complaint

Miss C complains that a car she bought from Moneybarn No.1 Limited under a conditional sale agreement was not of satisfactory quality. She wants to reject it.

What happened

In July 2020 Miss C entered into a five-year conditional sale agreement with Moneybarn. The car which was the subject of the agreement had been first registered in March 2014 and had a recorded mileage of a little over 70,000 miles. It had a cash price of £5,880.

In August 2020 the car broke down. A fault related to the fuel pressure control valve was diagnosed and repairs were carried out under warranty.

In October 2020 the car broke down again. It was collected by a breakdown service, whose notes from the incident suggested that the fuel pump could be faulty.

Miss C complained to Moneybarn, saying she wanted to return the car because it was faulty. Moneybarn said that it would arrange an independent inspection. That took place in January 2021. In the meantime, Miss C referred the matter to this service, in part because she was frustrated by how long it was taking to resolve things.

The independent inspection took place on 21 January 2021. It found no outstanding issues and concluded that the car was of satisfactory quality. Largely in reliance on that inspection and the report prepared as a result of it, Moneybarn did not uphold the complaint. Miss C and her partner said they thought that further repairs had been carried out after October 2020, in an attempt to cover up defects.

One of our investigators considered what had happened but did not recommend that Moneybarn do anything further. He noted that the car appeared to be running as it should and that the independent inspector had not reported any issues. Miss C did not accept the investigator's view and asked that an ombudsman review the case.

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.

As the investigator noted, the conditional sale contract was to be read as including a term that the car would be of satisfactory quality. That means the quality a reasonable person would expect in the circumstances. In this case those circumstances include the price of the car, its age and mileage.

I would not expect the car here to be entirely fault-free over the life of the conditional sale agreement. But neither would I expect it to need a replacement fuel tank and pump just a month after Miss C took delivery of it. I do not believe therefore that the car was of satisfactory quality at the point of delivery.

The car broke down again in October 2020. Whilst the recovery service suggested that the

problem might again be with the fuel pump, the dealership indicated that the problem was with the ignition relay, which it said was a wear and tear issue.

However, by the time the independent inspection took place, the inspector found that the car was functioning properly and was in a condition commensurate with its age and mileage. I accept that that was an accurate assessment.

Miss C says that the dealership carried out repairs without consent at some point after the second breakdown. She suspects that was done to cover up faults which would have shown that the car was not of satisfactory quality. I think it likely that some work was carried out after the second breakdown. I doubt that the problems Miss C experienced rectified themselves. I do not accept however that this was done to cover up faults – I think it more likely that it was done to put things right so that Miss C would have a car she could drive.

As I have indicated, I do not believe the car was of satisfactory quality. It does not follow however that Miss C was entitled to reject it. The Consumer Rights Act 2015 sets out a number of possible remedies where goods are not of satisfactory quality – including repair and rejection. I have taken those into account. My overriding obligation however is to determine Miss C's complaint by reference to what I consider to be fair and reasonable in all the circumstances.

In this case, the independent inspection did not reveal any remaining faults with the car. Miss C appears to accept that satisfactory repairs have been carried out – indeed, part of her complaint is that repairs were done without her consent. In the circumstances, therefore, I do not believe it would be fair to require Moneybarn to go any further.

My final decision

For these reasons, my final decision is that I do not require Moneybarn No. 1 Limited to take any further steps to resolve Miss C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 29 December 2021.

Mike Ingram

Ombudsman