

The complaint

Mr L complains that a car acquired with finance from Moneybarn No 1 Limited wasn't of satisfactory quality.

What happened

In May 2021 Mr L was supplied with a car and entered into a conditional sale agreement with Moneybarn.

Mr L experienced some issues with the car. These included a wobbly gearstick, faulty wheel bearing and scratches and dents.

Mr L reported the issues to the dealership and contacted Moneybarn. The dealership inspected the car and carried out repairs. Mr L contacted Moneybarn again and said the repairs hadn't been successful and raised further issues including exposed wires around the battery, a faulty headlight and engine oil pressure issues.

In July 2021 the car broke down and was recovered to the dealership. Repairs were carried out to the exhaust.

Mr L contacted Moneybarn, who arranged for an independent inspection. The inspection said that there were no faults which would have been present at the point of supply. Based on the inspection report, Moneybarn refused Mr L's request to reject the car.

Mr L wasn't happy with the response and complained to this service.

Our investigator didn't uphold the complaint. She said that although there was a fault with the car, there wasn't enough evidence to show that the fault was present at the point of supply, or that it had been caused by an unsuccessful repair.

Mr L didn't agree. He said he'd experienced issues with oil consumption in the first 6 months and he didn't think this was due to wear and tear.

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 Mr L but I agree with the investigators view. I'll explain why.

I've read and considered the whole file but in this decision, I'll focus on what I think is relevant. If I don't mention a specific point, it's not because I've failed to 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 L acquired the car under a regulated consumer credit agreement and as a result, this service is able to look into complaints about it.

The relevant law says that a car should be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account the age and mileage of the car, the price paid and other relevant circumstances.

At the time the car was supplied to Mr L it was over 6 years old and had covered around 53,000 miles. I'd expect a second hand car to have a degree of wear and tear and to require repairs more often than, say, a brand new car. Satisfactory quality includes durability, which means that the components of a car should last for a reasonable amount of time. How long that depends on a number of factors.

Mr L contacted Moneybarn within the first 6 months to tell them about the issues he was experiencing with the car. Whilst I don't doubt that these issues occurred, it's to be expected that a car of this age and mileage would have some wear and tear and that parts will require repair and replacement. The fact that there were some issues doesn't mean that the car wasn't of satisfactory quality when it was supplied.

In June 2021 Mr L reported issues with exposed battery wires and low oil pressure. Moneybarn arranged an inspection of the car to try and establish what the fault was and whether the fault had been present at the point of supply.

The Consumer Rights Act 2015 says that a car should be of satisfactory quality when supplied, taking into account the car's age and mileage. If a fault occurs in the first 30 days, and the consumer is able to evidence an inherent fault, the consumer can exercise a short term right to reject the car. If a fault occurs in the first 6 months, the supplying dealership is allowed one opportunity to repair it.

I've looked at the independent inspection report. The inspector didn't find any faults with the battery wires, or the accelerator switch or the headlight. The inspector noted that the exhaust was blowing and that the oil level was lower. He said that the exhaust blowing was due to wear and tear and that he didn't think there were any faults with the car at the point of supply because of the time and mileage which had elapsed since then.

I can see that the car was taken back to the supplying dealer after the independent inspection. The dealer replaced the exhaust but was unable to find an oil leak. It road tested the car over a 4 day period and found no loss of oil.

Mr L obtained a further diagnostic report in November 2021 because the engine management light had illuminated, and he had to keep topping up the oil. The diagnostic report stated that the engine oil consumption was too high, which had caused deterioration of the catalytic converter.

I've taken all of the available evidence into account. I'm satisfied that there's a fault with the car. However, I'm not persuaded that the fault with the oil pressure and the catalytic converter was present at the point of supply. The independent inspection report didn't find an oil leak or a fault with the catalytic converter. I've already said that I'd expect a car of this age and mileage to have some wear and tear to component parts. At the point of supply the car had covered around 53,000 miles. By the time the fault with the catalytic converter was diagnosed, Mr L had covered a further 10,901 miles in the car. If there had been a fault with the catalytic converter at the point of supply, I think this would have presented itself much sooner. I also think that, if there had been a fault with the catalytic converter or an oil leak at the point of supply, the independent inspection would have identified this.

Based on everything I've seen, I'm unable to say that the car wasn't of satisfactory quality when supplied. I think it's more likely that the issues are due to general wear and tear, so I

won't be asking Moneybarn to pay for repairs or accept a rejection.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 1 May 2022.

Emma Davy
Ombudsman