

The complaint

Miss L complains about the quality of the car she acquired through a conditional sale agreement taken out with Moneybarn No.1 Limited t/a Moneybarn in July 2020.

What happened

In July 2020, Miss L took out a conditional sale agreement to buy a used car. She says when the car was delivered, there were several issues with it that had not been apparent in the photographs she'd been sent earlier. Miss L told us:

- When the car was delivered to her in July 2020, this was the first time she'd actually seen the car;
- she contacted the dealership within a couple of days because she found a tear in the upholstery of the front passenger seat, and it agreed to pay £75 so that the fault could be remedied;
- a short time later, Miss L contacted the dealership because the air conditioning wasn't working properly, and again it accepted there was a fault with it, and it paid the costs of remedying the problem;
- on 10 August – within two weeks of acquiring the car – Miss L contacted the dealership again about damage to the four alloys;
- when the car had been delivered it was quite dirty, and it wasn't until she'd had it cleaned that the damage to the alloys became apparent;
- she's received a quote to repair the alloys - £380 – but both the dealership and Moneybarn won't pay for this work;
- she shouldn't have to pay for these repairs as she was misled about the state of the car when she signed the paperwork.

Moneybarn rejected this complaint. It said that it doesn't source the vehicles it finances, and it was the customer's responsibility to thoroughly examine any vehicle prior to finance inception. It said that if Miss L had been concerned with the condition of the vehicle at the point of purchase, she should have made Moneybarn aware of this at this time.

Moneybarn explained that the damage to the alloys was only cosmetic, and in taking delivery of the car, Miss L had accepted the condition of the car at the point of supply.

Our investigator looked at this complaint and said she thought it should be upheld. She explained that because the issues with the upholstery and air conditioning had been resolved, she was only considering the matter of the damaged alloys.

She said that Miss L told us the car had been dirty when it had been delivered and because of this, she'd not immediately noticed the state of repair of the four alloys. But she had since sent in photographic evidence to support her testimony, and these photographs evidenced significant damage to all four alloys.

Our investigator said that although Miss L had signed both the credit agreement and handover documents on 25 July, she had not by this point actually seen the car. She'd been sent photographs of it by the dealership, but until the car was delivered at the end of July,

Miss L had not had the opportunity to look at it in any detail. And she found Miss L's testimony about the state of the car to be persuasive – she hadn't noticed the damage to the alloys until she'd had the car cleaned several days later. She concluded that Miss L had likely been misled about the condition of the alloys prior to the delivery of the car. Because of this, she said Moneybarn should pay to have the alloys repaired.

Moneybarn said that if the car had been dirty, Miss L should've had it cleaned sooner. And the fact that she's not yet had the alloys repaired means it's likely that they've since incurred further damage, thus increasing the cost of repair.

Our investigator disagreed and sent the photographic evidence to Moneybarn. And she asked it to either pay for the repair of the alloys, or approve one of three quotes obtained by Miss L.

Moneybarn didn't respond so the complaint comes to me to decide.

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 considered all the evidence, I've reached the same conclusion as our investigator and for broadly the same reasons. To be honest, there's very little I can add to what she's already said, and I think she's set out the position very clearly in her view and subsequent correspondence.

It's clear that Miss L had not seen the car before she signed the credit agreement; the car was delivered to her several days later. So, I don't accept Moneybarn's inference in this particular case that Miss L should've highlighted any issues with the car before she signed the conditional sale agreement. I simply do not see how that would've been possible.

Miss L raised three issues with the car in the first few days after she took delivery of it – three things that she says were faulty. There's no real dispute about the existence of these faults, the dealership accepted the first two and paid to have them remedied. And we've all seen the photographic evidence of the damaged alloys.

Moneybarn says Miss L would've noticed the damage sooner had she cleaned the car sooner – but I don't think that's reasonable. I say that because I think it's more reasonable and more likely that in those first few days of usage, Miss L gradually noticed more about the car, perhaps including the fact that it really did need cleaning. And once it had been cleaned, the damage to the alloys was visible.

Miss L has been clear and consistent with her testimony and I find it to be plausible and persuasive. And I'm going to uphold this complaint because I'm satisfied that Miss L was misled about the condition of the alloys when she acquired this car.

Putting things right

Moneybarn can put things right in one of two ways. It can:

- arrange and pay for the repair of the alloys; or
- ask Miss L to obtain three separate quotes for the repair of the four alloys - it can then authorise and then pay for one of these quotes.

My final decision

My final decision is that I uphold this complaint and direct Moneybarn No.1 Limited t/a Moneybarn to pay the cost of repairing the alloys.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 15 July 2022.

Andrew Macnamara
Ombudsman