

The complaint

Mr M complains that a car he took from Moneybarn No. 1 Limited under a conditional sale agreement was not of satisfactory quality.

What happened

In November 2019 Mr M entered into a four-year conditional sale agreement with Moneybarn. The agreement was for a used car which was some eight years old and had covered 75,500 miles. The price was £8,999.

In February 2020 the car suffered some damage while parked. It was not possible to carry out an effective repair, however, because a previous repair meant that the car's rear bumper could not be removed. Mr M complained to Moneybarn, which arranged an independent inspection. That inspection noted, in summary:

- the rear bumper had been poorly repaired;
- the satnav was not working;
- an aftermarket rear camera had been fitted, with the result that the boot handle could not be used to open the tailgate;
- brake discs and pads were worn.

The engineer who inspected the car did not think that the faults were likely to have been present when the car was supplied to Mr M. Moneybarn said therefore that it had no liability to Mr M.

In April 2020 Mr M said that a further issue had arisen. The car's turbocharger was not functioning correctly. Moneybarn said that the inspection report had concluded that the car was of satisfactory quality and it was not therefore responsible for any problems Mr M was experiencing. It noted too that the car had passed an MOT test in November 2019.

A second inspection was carried out in August 2020. The report of that inspection concluded that the problems with the turbocharger were not uncommon for a car of the age of Mr M's car and with similar mileage.

One of our investigators considered what had happened but was not minded to uphold Mr M's complaint. Some of the issues Mr M had complained about were, she thought, matters of wear and tear. She noted too that the dealership had drawn his attention to other issues at the point of sale. And the independent inspections had not concluded that faults were present at delivery. Mr M 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.

Moneybarn's contractual obligations included a duty to supply a car that was of satisfactory quality. The Consumer Rights Act 2015 says that an item is of satisfactory quality if it is of the quality a reasonable person would expect in all the circumstances. In my view, those circumstances include in this case the car's age, mileage and price. This car was eight years old, had a high mileage and was priced at a discount well below the price of a newer model. It was to be expected that it might need work carried out over the four-year conditional sale period – over and above normal servicing.

The Consumer Rights Act also says that the concept of satisfactory quality does not include matters which the consumer knew about. In this case, the dealership wrote to Mr M at the point of sale to say that certain items had been highlighted. They included the tailgate repair, reversing camera and boot lid repair. Mr M said that he had been told too that the satnav would be updated. In my view this shows that the matters which formed the subject of his initial complaint were matters of which he was aware. I do not believe therefore that he can fairly say that the car was not of satisfactory quality because of them.

I should however note that, given they had been highlighted at the point of sale, it is perhaps surprising that the initial inspection report concluded that there was no evidence they had been present.

The first inspection report also noted that the brake pads and discs were worn. They are however matters of wear and tear. The car passed an MOT test in November 2019. That does not mean that the car was of satisfactory quality, but brakes are a safety item and would have been inspected.

As far as the turbocharger is concerned, the second inspection report concluded that any wear was in line with the car's age and mileage. I accept that is likely to be true.

My final decision

For these reasons, my final decision is that I do not require Moneybarn No. 1 Limited to do anything further to resolve Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 15 June 2022.

Mike Ingram

Ombudsman