

## **The complaint**

Miss M complains that a car she acquired through a conditional sale agreement with Moneybarn No.1 Ltd (Moneybarn) wasn't fit for purpose. She would like to reject the car and be refunded the payments she made whilst without use of the car.

## **What happened**

The details of this complaint are well known to both parties so I won't repeat them again here instead I will focus on giving the reasons for my decision.

## **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 have reached the following conclusions:-

- Miss M took out an agreement for a used car with 76060 miles on the clock in September 2020. Whilst consumers might expect more wear, tear, and repair issues with a used car than with a new one we do expect them to be fit for purpose at the point of sale. Miss M says the car broke down in July 2022 so nearly two years after she had it. When issues arise more than six months after getting a car we usually say it's the consumer's responsibility to show there is a problem that was present or developing at the point of sale.
- Miss M has told us that when she got the car the dealership serviced and repaired the car including fitting a new timing belt and water pump. She has provided an invoice to confirm this. She has also provided notes on the breakdown from a technician who confirmed 'confirm fault, found belt shredded due to water pump seizing causing belt to fail and engine internal damage. Req new engine and fuel pump'. So, I am persuaded that the parts that failed were the ones the dealership replaced when Miss M got the car.
- Timing belts might reasonably be expected to last around 50-100,000 miles and water pumps 60-90,000 miles. Miss M only drove 16,512 miles. I have no evidence to show that Miss M contributed to the car failure and whilst I accept Moneybarn's point that a fault might have shown sooner than it did I am of the view that Miss M could reasonably have expected the replaced timing belt and water pump to have lasted longer than they did.
- I think Miss M has evidenced the reason for the car failure and that it relates back to work carried out on the car when she got it. Miss M has provided a quote for repair work in the region of £6000. I agree with her that it would be uneconomic to repair the car so I think it's reasonable to allow her to reject it.
- I agree with the redress our investigator recommended as detailed below however I don't agree with Miss M's request to have a refund of all the payments she has made

as she did have use of the car until it broke down.

### **My final decision**

My final decision is that I uphold this complaint.

In full and final settlement Moneybarn No. 1 Limited should :-

- End Miss M's agreement with immediate effect and take the car back at no cost to her.
- Refund any deposit Miss M paid towards the agreement with 8% simple interest from the date of payment to the date of settlement
- Refund all monthly payments Miss M made from July 2022 when the car broke down with 8% simple interest from the date of payment to the date of settlement
- Pay Miss M £100 for the distress and inconvenience
- Remove any adverse information from Miss M's credit file in relation to this agreement and show the agreement as settled from July 2022

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 27 March 2023.

Bridget Makins  
**Ombudsman**