

The complaint

Mr P complains that the car he acquired through a conditional sale agreement with Moneybarn No. 1 Limited trading as Moneybarn wasn't of satisfactory quality. He wants to be refunded the amount he has paid to resolve the issues.

What happened

Mr P entered into a conditional sale agreement in June 2022 with Moneybarn. Under the agreement he was required to pay 59 monthly repayments of around £186. Mr P says that the car had issues and the gear box disintegrated in December 2022 and had to be fixed. Mr P says he tried to get repairs carried out under his warranty but got no help and so he contacted Moneybarn.

Moneybarn issued a final response letter in March 2023 not upholding Mr P's complaint. It said it was notified of the issues Mr P was experiencing with the car on 6 February 2023, recording a valve body issue, the gearbox needing reconditioning and that Mr P said he had needed to cancel his warranty due to miscommunication between the warranty and the dealer and that he was unhappy with the costs he had needed to pay for repairs. It noted the information Mr P had provided about the issue with the car but said this didn't confirm that the current faults were present or developing when the car was supplied. It said the car passed an MOT in June 2022 confirming it was roadworthy. It said given the car's age and mileage it would be expected that it would have suffered some wear and tear.

Mr P didn't agree with Moneybarn's response. He said he had the car for less than a year and hadn't done anything to the gearbox. He said this shouldn't have failed within eight months. He said he wasn't happy with the service he had received and was having to pay monthly rentals, insurance and other costs on a car that had issues. He referred his complaint to this service saying he had spent £4,000 to cover the issues and he wanted that refunded.

Our investigator didn't uphold this complaint. She said given the nature of the fault Mr P told Moneybarn about, had it been present at supply it is more likely than not that the car would have broken down before it did. Therefore, she thought the issues appeared to be due to wear and tear.

Mr P didn't accept our investigator's view. He said that the car's gear box service history wasn't up to date when he received it meaning the car wasn't fit for purpose. He said that had the car been properly maintained the issue wouldn't have happened.

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.

Mr P acquired a used car through a conditional sale agreement with Moneybarn. Under the regulations, specifically the Consumer Rights Act 2015, Moneybarn can be held liable if the car wasn't of satisfactory quality at supply. Satisfactory quality takes into account factors

such as the age and mileage of the car. In this case the car was around ten years old and had been driven 99,585 miles at the point of acquisition.

Given the age and mileage of the car at acquisition, it is reasonable to expect it to have suffered wear and tear. It is also possible with used cars, especially older, higher mileage cars, that issues can arise shortly after acquisition even if these weren't present at the point of supply. That said, it is also reasonable to expect that while taking the age and mileage into account the car would be sufficiently durable.

Mr P acquired the car in June 2022, and it had recently passed an MOT. While this won't have assessed the condition of the gearbox, it shows the car was roadworthy and suggests it was fit for purpose at the point of supply.

Mr P says that just before Christmas the car broke down as the gearbox stopped working. He had repairs undertaken but the car broke down again and further repairs were needed.

I note the comments Mr P has made in regard to the warranty and the issues he had with conflicting information being provided from the garage and the warranty company. But as this complaint is about Moneybarn, I can only hold it liable for the issues it is responsible for. In this case I cannot hold it liable for the issue between the warranty company and the garage. Instead, I can consider whether the car supplied was of satisfactory quality.

I have looked through the contact notes and can see Mr P mentioned about the cost of repairs in January 2023 and then sent an email to Moneybarn in February 2023 setting out the situation with his car and raising a complaint. Mr P explained that he initially had work done costing £1,500 in order to get the car running but this didn't resolve the issues so further work was needed. I have seen a copy of an invoice dated 27 February 2023 which records a reconditioned clutch, reconditioned valvebody, filters, clutch cover, oil gearbox service and an overhall kit.

I can understand why Mr P was upset that he experienced issues with the car soon after acquisition and had to pay for substantial repairs. But for me to say that Moneybarn is liable for these costs, I would need to see evidence that showed the issues were due to faults present or developing at the point of supply.

Based on what I have seen, it appears that Mr P was able to drive over 6,000 miles before the issue occurred. By this point the car had been driven over 106,000 miles. While it is unfortunate that there was then an issue with the gearbox given the mileage, and without further evidence to show the gearbox was faulty, I find this more likely than not an issue resulting from wear and tear. I note Mr P's comment about the servicing of the gearbox but I do not find that this is enough to say that the gearbox was faulty at supply.

Without evidence to show that the issues Mr P experienced with his car were due to faults that were present at the point of supply, and noting the car's age, mileage and the time and mileage Mr P covered before the issue arose, I do not find I can say the car wasn't of satisfactory quality at the point of supply. Because of this I do not find I can hold Moneybarn liable for the costs of repair.

I understand my decision will be disappointing for Mr P and I am sorry to hear that the repair costs have caused him to struggle financially. We would expect Moneybarn to treat Mr P sympathetically and positively if he is struggling with his repayments.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 20 October 2023.

Jane Archer
Ombudsman