

The complaint

Miss S complains about a car she acquired from Moneybarn No. 1 Limited.

What happened

In March 2022 Miss S entered into a regulated conditional sale agreement with Moneybarn to acquire a used car. The car was eight and a half years old and had been driven over 100,000 miles. Its cash price was £6,495.

Miss S says she experienced some problems with the car, and it was repaired in May 2022 and again in March 2023. She has stopped driving it. In February 2023 she complained to Moneybarn, saying that the car had not been fit for purpose when it was sold to her.

Moneybarn did not uphold her complaint. It said the car had passed its MOT on the day before it was sold. It pointed out the car's age and mileage, and the fact that Miss S had not complained to Moneybarn about it for 11 months. It concluded that the issues with the car were down to wear and tear, not a fault present at the point of sale. Being dissatisfied with that answer, Miss S brought this complaint to our service.

One of our investigators considered this complaint, but she decided not to uphold it. She considered what repairs had been carried out – replacing an air filter pipe and fixing a knocking sound in the steering in 2022, and replacing a misfiring cylinder and some spark plugs in 2023 – and said that these were most likely problems that had been caused by wear and tear. She said that at the last repair the garage had advised that she have a compression test carried out to see if the gasket head had failed, and that Miss S had driven the car around 7,000 miles since getting it, which would not have been possible if the gasket head had already failed at the point of sale. She thought that a coolant leak was also probably due to wear and tear of a pipe or suchlike. She concluded that the car had been of satisfactory condition when sold, considering its age and mileage, and so Moneybarn was not responsible for it.

Miss S did not accept that opinion. She said she had been sold a dud, and that she was still having to pay money each month towards her agreement for a car that is no longer driveable, in addition to having to pay for public transport to get around. She asked for an ombudsman to give her a second opinion.

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 do not uphold this complaint, for broadly the same reasons as the investigator gave.

The issue in this case is not whether the car is defective now – it clearly is – but whether it was defective on 11 March 2022, when it was sold. Moneybarn is not responsible for what happens after that. And by "defective," I mean "not of satisfactory quality," taking into

account the fact that a used car cannot be expected to be of the same quality as one which is brand new. Ordinary wear and tear is inevitable over the years, and so Moneybarn is not responsible for that either.

The fact that Miss S did not complain to Moneybarn for eleven months is a red herring. She took the car to a garage after only two months. The issue is whether the car was of unsatisfactory quality when it was sold; when she complained to the finance provider is neither here nor there.

On 10 March 2022, the day before the sale, this car passed its MOT with no advisories. I think that is strong evidence in Moneybarn's defence. At that time, the mileage was 100,913 miles.

In May the air filter pipe was replaced, and a knocking noise which had been coming from the steering was fixed. I agree with the investigator that these problems are likely to have been the result of wear and tear, given the car's age and mileage, even if they had already begun (but were not yet apparent) at the time of the MOT. They don't mean that the car was of unsatisfactory quality.

In March 2023, as I've said, further repairs were carried out to some other components – the cylinder and spark plugs. At this time, the mileage was 108,076 miles, or nearly 7,000 miles since the car was sold to Miss S. I think this issue would likely have been picked up on the MOT if it had been present at the time, so I think it has developed since then. And while the garage recommended that a compression test be carried out (a test of the pistons, gasket head, valves and so on), if any of these parts had already failed at the point of sale then the car could not have been driven another 7,000 miles. So I don't think this is evidence of a mis-sale by Moneybarn.

My final decision

So my decision is that I do not uphold this complaint.

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

Richard Wood
Ombudsman