

The complaint

Mrs S has complained about the quality of a car she acquired using finance from Moneybarn No. 1 Limited.

What happened

In August 2023, Mrs S entered into a finance agreement with Moneybarn, for a used car. At that point, it was over ten years old, and had 104,196 miles on the clock.

Soon afterwards, a front ball joint needed to be replaced, which the dealership paid for. However, Mrs S had further concerns which weren't resolved by the dealership, so she complained to Moneybarn. She also brought her complaint to our service, when she didn't hear back from Moneybarn in a timely manner.

Moneybarn has subsequently partially upheld Mrs S's complaint, and offered her £100 compensation. But Mrs S feels this isn't fair. She's explained she's made payments towards a car she's not used for several months, had no courtesy car, and had to use other forms of transport. She's also unhappy with the lack of communication from Moneybarn.

One of our investigators looked into what had happened. He was mindful that the car had significant age and mileage, and the price of the car was lower than it would have been if it had been supplied new. So, it would be expected that parts of the car might have already suffered notable wear and tear. Looking at what had been done, he could see that the dealership had engaged a third party to inspect the subframe, replace tyres and correct the tracking with regards to the misalignment. So, there was clearly a fault with the car.

However, our investigator then considered whether he thought this fault would have been present, or developing, at the point of supply. He could see that the car had passed its MOT, with no advisories, on the date it was supplied. And he was satisfied that if there'd been an issue with the subframe or alignment, this would have shown up. So, he didn't think this issue/issues were present at the point of supply.

As regards issues with the windscreen and oil leaks, our investigator thought these had been resolved by the dealership, as it had reimbursed Mrs S for the cost.

In summary, our investigator said that the misalignment had been rectified, which corrected the issue with the steering wheel and tracking, and the tyres had also been replaced, at no cost to Mrs S. The report from the third party garage confirmed the subframe is secure and the car is safe to drive.

Our investigator was satisfied that the car had been made available for Mrs S to collect since late October 2023, but it had been her decision not to do so. Therefore, he thought that Moneybarn's offer of £100 compensation was fair.

Mrs S disagreed. She feels Moneybarn was dismissive and didn't resolve matters as quickly as it should have done. Nor did it advise her to collect the car.

The complaint's now been passed to me.

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'm not requiring Moneybarn to do anything further. This is for the same reasons as those given by our investigator. I know this will be very disappointing for Mrs S, but I'll explain why.

I can see there were some issues with the car. However, I can also see that all of these have been repaired. I've not seen any evidence that the repairs are unsafe. Further, I'm not persuaded that these weren't in large part required due to wear and tear, commensurate with the age and mileage of the car.

I can also see that repairs were completed in late October 2023, and Mrs S was aware of this. So, I think she could reasonably have collected the car. I haven't seen that Moneybarn expressly told her to do so, but I think she could have obtained clarification in order to mitigate any losses. I can also see that Mrs S has said she was worried about the car's safety, so I think this may have been a factor in why she didn't collect it. But, the report has concluded the required repairs have been carried out and the car is safe. Should Mrs S have further concerns in the future, she may be able to bring another complaint.

As regards the delay in Moneybarn responding to Mrs S, I don't think this affected her complaint. Although she complained in October 2023 and it didn't respond to her until January 2024, I can also see that it gave her referral rights to our service in December 2023.

Taking this into account, I'm satisfied that the £100 compensation Moneybarn offered is fair to reflect what's happened, and is in line with what I'd have awarded.

My final decision

It's my final decision that the offer of £100 compensation made by Moneybarn No. 1 Limited is fair. I leave it to Mrs S to decide whether or not she'd like to accept it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 18 February 2025.

Elspeth Wood
Ombudsman