

The complaint

Ms A is unhappy that a car supplied to her under a conditional sale agreement with Moneybarn No.1 Limited was of an unsatisfactory quality.

What happened

In August 2022, Ms A was supplied with a used car through a conditional sale agreement with Moneybarn. She paid an advance payment of £4,000 and the agreement was for £25,000 over 60 months; with monthly payments of £831.26. At the time of supply, the car was around three years old, and had done 53,839 miles (according to the MOT record for 17 August 2022).

Ms A had a problem with the car and, in November 2023, the starter motor was replaced at a cost of £985. At the time of this repair the car had done 64,980 miles – over 11,000 miles in the 14-months it was in Ms A's possession.

While this repair resolved the problem, Ms A was unhappy and complained to Moneybarn. She asked them to reimburse her the cost of the repair and allow her to reject the car. As there was no evidence that the fault with the car was present or developing when the car was supplied to Ms A, Moneybarn didn't uphold the complaint.

Ms A wasn't happy with Moneybarn's response, and she brought her complaint to the Financial Ombudsman Service for investigation.

Our investigator said that, despite being asked for this, Ms A hadn't been able to provide any evidence the car was faulty when it was supplied to her. Given the distance Ms A had been able to travel in the time she'd been in possession of the car, the investigator didn't think the car was faulty when it was supplied. So, they didn't think Moneybarn needed to do anything more.

Ms A didn't agree with the investigator's opinion, and she asked that this matter be passed to an ombudsman to decide.

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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Ms A was supplied with a car under a

conditional sale agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Moneybarn are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history and its durability. Durability means that the components of the car must last a reasonable amount of time.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Moneybarn can show otherwise. So, if I thought the car was faulty when Ms A took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Moneybarn to put this right.

From the evidence I've seen, I'm satisfied there was a fault with the starter motor on the car supplied to Ms A. However, this fault occurred more than a year, and more than 11,000 miles, after the car was supplied to her. In these circumstances, the CRA implies that it's for Ms A to prove the car was faulty when it was supplied to her, not Moneybarn.

While the invoice for the replacement starter motor confirms that it wasn't working, it doesn't say that this fault was present or developing when the car was supplied to Ms A. I've noted that Ms A has been given ample opportunity to provide some evidence i.e. a report from the garage who replaced the starter motor or a report from an independent engineer, that the car was faulty when it was supplied to her. However, she hasn't been able to provide this.

If the starter motor was faulty when the car was supplied to Ms A, I think it's unlikely she would be able to drive the car for more than 12-months, and more than 11,000 miles, before the starter motor failed. So, I don't think it's likely the car was faulty when it was supplied.

Ms A has provided a copy of the original advert for the car, which confirms the car has "*stop / start technology*." In essence, this is a system that automatically shuts down and restarts the engine to reduce the amount of time it spends idling, thereby reducing fuel consumption and emissions. However, it also means that the engine will be restarted multiple times during a journey, unlike a car without this technology where the car is only started at the beginning of each journey. What's more, the engine will be started substantially more with urban driving, where it's more likely to encounter more traffic, junctions, red lights etc.

All this puts a strain on the starter motor, so the expected lifespan of this part would be significantly reduced compared to a car without this technology. On the car supplied to Ms A, the lifespan of a starter motor is expected to be around four years / 80,000 miles, and dependent on how the car has been driven throughout its life (not just when it was in Ms A's possession) this could be less. As such, given the age and mileage of the car, I don't think it's unreasonable that the starter motor would need to be replaced when it was. So, I don't think the car was insufficiently durable at the point of supply.

As such, for the reasons stated, I'm not satisfied the car was of an unsatisfactory quality at the point of supply. Given this, and while I appreciate this will come as a disappointment to Ms A, I won't be asking Moneybarn to do anything more.

My final decision

For the reasons explained, I don't uphold Ms A's complaint about Moneybarn No.1 Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 28 April 2025.

Andrew Burford
Ombudsman