

## **The complaint**

Mr L complains about the quality of a used vehicle he acquired through a conditional sale agreement with Moneybarn No. 1 Limited ('Moneybarn'). Mr L says that the van wasn't of satisfactory quality, and it has needed to be repaired several times very soon after he acquired it.

He also says that the dealership didn't fit new brake pads, as it said it would, at the time of sale.

## **What happened**

Mr L's complaint is about the quality of a van he acquired in April 2024. The van was used, and it was first registered in June 2015. So, it was about nine years old when Mr L received it. It had covered 113,456 miles.

Mr L acquired the van using a conditional sale agreement that was started in April 2024. The vehicle had a retail price of £4,500 and Mr L financed all of this. This agreement was to be repaid through 35 monthly instalments of £179.39. If Mr L made repayments in line with the credit agreement, he would need to repay a total of £6,278.65.

Mr L has complained about the quality of the van. Below is a summary of the issues complained of by Mr L and the investigation and repair work that has been carried out, alongside what has happened in respect of the complaint.

In April and May 2024 Mr L said the van needed some repairs and maintenance. These were as follows:

- An oil and filter change with a flush.
- New front brake pads.
- Aux belt and tension pads.
- A Full service.
- A Bulb was replaced.
- The washer bottle cap was replaced.

The invoices I've seen for these totalled about £700 and took over seven weeks to complete in total.

After the van was returned to Mr L he said it was still faulty. He said an engine management light ('EML') was showing and it had a 'scrap engine' in the back. Mr L said he gave the dealership another chance to fix the vehicle, but this hasn't been done. I understand Mr L hasn't driven the vehicle since this time.

Moneybarn has had the van inspected by a third party inspection business. This business has said that the van has some faults. It was able to start, but an EML was showing. There was an oil leak from the rear of the gearbox and some stored fault codes due to the electronic control unit potentially malfunctioning. These faults were stored at 115,824 miles and the van had travelled about the same distance.

But the report went on to say that:

*'Faults of this nature would be due to wear and deterioration and would not be unexpected on a vehicle of this age and mileage.'*

And it concluded that:

*'Considering the vehicle has incurred 2,396 miles since purchase and the fault codes were flagged at 115824 miles we would consider, based on our engineering perspective, that these faults would not have been present at the point of vehicle sale.'*

Mr L complained to Moneybarn about the quality of the van. He said it had an engine fault; he had needed to have it serviced and it had taken time for the issues he had with the van to be investigated.

Moneybarn didn't uphold this complaint as it said that the evidence it had, the most important of this being the independent report, didn't show that the vehicle was faulty at the time of sale. It thought the issues Mr L had experienced were ordinary wear and tear. It paid him £100 for any distress or inconvenience he may have suffered due to this. Later on, Moneybarn also paid Mr L £25 for not considering his complaint in a timely manner.

Mr L didn't agree with this complaint outcome, and he brought his complaint to the Financial Ombudsman Service.

Our Investigator didn't uphold Mr L's complaint. He said that he didn't think the evidence showed that the van wasn't of satisfactory quality at the time of sale. The problems he had with the vehicle were due to ordinary wear and tear and the age of it.

The dealership had agreed to change the brake pads and discs before the van was sold to Mr L. And given the work Mr L had needed to do on the van recently, it was unlikely that this had been done. So Moneybarn should pay for this.

Mr L didn't agree with the Investigator. He said that he had kept his side by maintaining the van since he had owned it. But the van has been repaired twice, and this had taken seven weeks to do. It was returned in limp mode and with a scrap engine in the back. He has paid £4,500 for less than three months of driving and he doesn't think this is fair.

Because Mr L didn't agree, this matter has been passed to me to make a final 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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider was good industry practice at the relevant time.

The agreement in this case is a regulated conditional sale agreement – so we can consider a complaint relating to it. Moneybarn as the supplier of the goods under this type of agreement and is responsible for a complaint about their quality.

The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. It says that under a contract to supply goods, there is an implied term that 'the quality of the goods is satisfactory'.

To be considered 'satisfactory', the goods would need to meet the standard that a reasonable person would consider satisfactory – considering any description of the goods, the price and all the other relevant circumstances. So, it seems likely that in a case involving a van, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the van's history.

The quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of this.

This van was nine years old when Mr L acquired it, and it had travelled around 113,000 miles. I think a reasonable person would accept that such a vehicle would probably have some parts that are worn and would need replacing sooner rather than later – which is reflected in the lower price paid in comparison to a new vehicle.

But there's also a reasonable expectation that a vehicle will be relatively durable - taking into account its age, price and mileage at the outset. So even though the vehicle wasn't new Mr L should have been able to use it for a reasonable period of time before it needed significant work.

As I've outlined above the van needed some repair and maintenance and this took some time to do. And it seems like the van now has a possible oil leak and a fault with the control unit.

Whilst I have noted these faults and problems, this doesn't necessarily mean that the van wasn't of satisfactory quality at the time of supply. The overriding factor here is that this was a used van that had travelled a significant number of miles before Mr L acquired it. So, it was always going to need some repairs and maintenance over time, as it did. I've thought about whether the work that the van needed was reasonable for a van of this age and prior usage.

As I've said above, the independent report concluded that the work that the van needed was due to wear and tear over the life of it, rather than it being faulty. Having looked at the invoices for the work done, I think this is reasonable. Much of the work completed by the dealership looks to be maintenance that you would expect to take place from time to time and especially on a vehicle this old.

It seems the van now has a fault with the control unit and may be leaking some oil. But Mr L was able to drive it for over 2,000 miles before the fault occurred and so it doesn't seem likely to say that these faults were present or developing at the time of sale. Again, faults of this nature will happen from time to time in a vehicle of this age.

So, I can't say it's likely that the problems were apparent or developing at the time the van was supplied to Mr L. It follows that, having looked at everything, I don't think there is enough for me to say that the van was not of satisfactory quality when it was supplied to Mr L. And whilst the van breakdown was unfortunate, I don't think that Moneybarn should be responsible for putting the faults with the van right or paying any compensation.

I agree that the dealership said it would replace the brake pads and discs, and as they were replaced shortly after Mr L acquired the vehicle, this seems not to have been done. So Moneybarn should pay for the cost of this maintenance, which is £96 (inclusive of VAT).

Moneybarn has paid Mr L £100 for the distress and inconvenience this has all caused him, and £25 for the delay in considering his complaint. I don't think any further compensation is warranted above this.

### **Putting things right**

I uphold this complaint against Moneybarn and it should now:

- Pay Mr L £96 that he paid for replacing the brake pads.
- Apply interest to the above amount at an annual rate of 8% simple, from the date of payment to the date of settlement.

If Moneybarn considers that it's required by HM Revenue & Customs to withhold income tax from the interest part of my award, it should tell Mr L how much it's taken off. It should also give Mr L a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

For the reasons I've explained, I partly uphold Mr L's complaint.

Moneybarn No. 1 Limited should put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 16 July 2025.

Andy Burlinson  
**Ombudsman**