

The complaint

Mr H complains that a car that was supplied to him under a hire purchase agreement with Secure Trust Bank plc, trading as Moneyway, wasn't of satisfactory quality.

What happened

A used car was supplied to Mr H under a hire purchase agreement with Moneyway that he electronically signed in February 2024. The price of the car was £3,399, he paid a deposit of £199 and he agreed to make 59 monthly payments of £92 and a final payment of £102 to Moneyway.

He complained to Moneyway in June 2024 that the paint had split open on the car's left rear quarter panel and that the car's mileage had been changed in 2019. Moneyway said that there wasn't sufficient evidence to suggest that the bodywork issue would have been present or developing at the point of sale and it said that Mr H should contact the Driver and Vehicle Standards Agency about the mileage discrepancy.

Mr H wasn't satisfied with its response so complained to this service. His complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that it seems likely that there's a fault with the car but she thought that the car was of satisfactory quality when it was supplied.

Mr H has asked for an ombudsman to look at his complaint. He says that the damage isn't a wear and tear issue as the previous owner has repaired the damage and he's the one who has to pay but he wouldn't have bought the car with a big split in its paintwork. He says that he's supplied all the evidence but Moneyway has supplied nothing yet he still has to pay. He says that he doesn't feel that the age of the car has anything to do with the damage as it's been dented and scratched and then hidden so was mis-sold to him.

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.

Moneyway, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr H. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr H was nearly ten years old, had been driven for 73,889 miles and had a price of £3,399. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on a number of factors.

Mr H complained to Moneyway in June 2024 about some damage on the car. He's provided photos of the damage and an estimate from a bodywork repair centre of £996.35 to repair the damage. Mr H says that the car had been damaged by the previous owner and it obviously quickly repaired the damage to sell the car but he's provided no evidence to show that the car was damaged and repaired by the previous owner.

It's clear from the photos that Mr H has provided that there's some damage on one of the car's panels but he didn't complain to Moneyway about the damage until about four and a half months after the car had been supplied to him. If there had been a quick repair to damage that was present before the car was supplied to him, I consider it to be likely that he'd have noticed the issue soon after the car was supplied to him and that he'd have contacted the dealer and Moneyway about it.

The car passed an MOT test in December 2023 with no advisories and the car's mileage at that time was 73,866 miles. The car also passed an MOT test in November 2024 when its mileage was recorded as 82,226 miles and, although some advisories were noted, none of them related to bodywork damage. The car is now more than ten years old and I'm not persuaded that there's enough evidence to show that it wasn't of satisfactory quality when it was supplied to Mr H because of damage to the car that had occurred before the car was supplied to him.

Mr H has also complained about a mileage discrepancy from 2019. The car's mileage at the time of an MOT test in July 2018 was 34,132. The car failed an MOT test in July 2019 when its mileage was recorded as 64,743 but it passed an MOT test two days later with a recorded mileage of 40,229. I consider it to be more likely than not that the car's mileage was 40,229 miles in July 2019 and that the figure of 64,743 was an error.

I'm not persuaded that there's enough evidence to show that the car wasn't of satisfactory quality when it was supplied to Mr H. He said that he was very unhappy with the investigator's recommendation so I appreciate that this will be disappointing for him, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Moneyway to pay for the damage to the car to be repaired or to take any other action in response to Mr H's complaint.

My final decision

My decision is that I don't uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 31 December 2024.

Jarrold Hastings
Ombudsman