

## **The complaint**

Mr A complains about the quality of a used car that was supplied through a conditional sale agreement with Moneybarn No. 1 Limited trading as Moneybarn (Moneybarn).

## **What happened**

In July 2023, Mr A acquired a used car through a conditional sale agreement with Moneybarn. The car was about nine years old and had travelled 105,450 miles when it was supplied. The cash price of the car was £12,200. An advanced payment of £100 is listed, so the total amount financed on the agreement was £12,100 payable over 59 monthly repayments of £388.79.

Mr A complains that since acquiring the car he's experienced mechanical issues with it. He said he tried to reject the car, but the delays caused by Moneybarn meant he wasn't able to do so. Mr A says he's been significantly inconvenienced by this and has lost out financially due to the impact on his work.

In August 2024, Moneybarn issued their final response to Mr A's complaint which they upheld due to the car going into limp mode, an engine management warning, fault codes, and the horn not working, which they considered to be their liability. In summary, it said the car was taken to a garage for further investigation, but this couldn't be completed, so the repairs weren't carried out, however that Mr A was provided a courtesy car for five weeks. It said, without admission of liability, Moneybarn agreed to facilitate a rejection of the car, and refund to Mr A his deposit, along with the monthly payments made with a deduction, and a reimbursement of the cost for a cherished plate. Whilst it confirmed Mr A accepted their offer, it said it wouldn't cover any loss of earnings or costs related to replacement alloys.

Unhappy with their decision, Mr A brought his complaint to our service where it was passed to one of our Investigators to look into.

The Investigator recommended that Mr A's complaint should not be upheld. The Investigator considered Moneybarn had acted fairly in the circumstances.

Mr A didn't accept the Investigator's assessment and provided further information relating to the issues with the car.

In March 2025 the Investigator provided a further response to say his opinion hadn't changed, despite the information provided by Mr A. The Investigator still considered Moneybarn's overall resolution was fair and reasonable in the circumstances.

Mr A responded to say he still felt the outcome didn't reflect the severity of the financial and emotional impact the situation has had on him, so he asked that his complaint be referred to an ombudsman for 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've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr A complains about a conditional sale agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr A's complaint about Moneybarn. Moneybarn is also the supplier of the goods under this agreement, and is responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "*the quality of the goods is satisfactory, fit for purpose and as described*". To be considered as satisfactory, the CRA says the goods 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 car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

My starting point is that Moneybarn supplied Mr A with a used car that had travelled 105,450 miles. With this in mind, I think it's fair to say that a reasonable person would expect the level of quality to be considerably less than that of a brand-new car with lower mileage; and that there'd likely be signs of wear and tear due to its usage.

From the information provided I'm satisfied there are faults with the car. This is apparent from the independent inspection report completed in February 2024 which confirmed the vehicle was going into limp mode and considered it to have underlying faults which it believed would have been present at the point of supply. Mr A also provided copies of breakdown reports for the car.

Although I've concluded from the evidence that a fault exists, I'm satisfied that the quality of the car isn't in dispute here. Mr A has complained about the quality of the car, and Moneybarn has upheld Mr A's complaint and accepted that some of the faults identified were their liability. The independent inspection report has also confirmed they considered the issues relating to the limp mode would have been present at the point of supply.

So having considered the car wasn't of satisfactory quality when it was supplied to Mr A, I've considered what Moneybarn should do to put things right.

In their final response Moneybarn had offered to facilitate a rejection of the car, by doing the following:

- collect the car at no cost to Mr A and remove his liability from the agreement
- refund to Mr A his deposit paid

- refund all monthly payment Mr A made towards the agreement with interest, with a reduction of £929.50 and one monthly repayment
- refund to Mr A £80 for the cost of retaining his cherished number plate
- remove the account from Mr A's credit file

In his response to the Investigator, Mr A said he didn't believe Moneybarn's offer fully addressed the losses he incurred, or the distress caused over a prolonged period

In an email to the Investigator dated in March 2025, Mr A explained that his income decreased by around £3,000 as a result of having a faulty car or no car available to him. He also said he had to hire vehicles costing him around £1,200. He also said the situation had an adverse effect on his emotional and mental health.

I've thought about what Mr A has said about his losses and I'm sorry to learn about the impact this has had on him, however, I think the resolution from Moneybarn has been fair in the circumstances.

Mr A has told us about the losses he incurred due to his work. I don't think it's reasonable to hold Moneybarn accountable for this. The agreement entered into was for a personal use vehicle which was expected to be supplied in a condition that was of satisfactory quality. And where this wasn't the case it's right that Moneybarn should look to put things right. However, I can't see that Moneybarn offered any guarantees to Mr A in relation to his employment or rate of income in the event of the vehicle not being in a satisfactory condition.

I've seen no evidence that Moneybarn would have been reasonably aware of the potential impact to Mr A's financial position.

In addition, Mr A hasn't provided any specific evidence to prove his financial loss, for example in the form of contracts that were agreed and dependent on specific actions that were made impossible as a result of the vehicle's quality. I also have no evidence of how Mr A has sufficiently mitigated his losses. So, all things considered, I won't be instructing Moneybarn to reimburse to Mr A the losses he said he's incurred from his work.

Mr A has also raised concerns about the way Moneybarn have handled the complaint against them. Complaint handling isn't a regulated activity in its own right. Nor is it one of the specified non-regulated activities that I'm able to deal with under our compulsory jurisdiction (DISP Rule 2.3.1R). And so, I'm unable to look into the specifics of this.

I acknowledge things took longer than Mr A had expected, however, I don't have evidence that Moneybarn were negligent in how they handled matters. I recognise there's no template or generic guide on timescales when investigating faults on a vehicle.

My focus in this decision is on the underlying financial service being complained about and whether Moneybarn acted fairly in the circumstances. Whilst I can look at what's fair and reasonable in the individual circumstances, in respect of complaints relating more generally to commercial practices and quality standards, that is likely more appropriately directed at the regulator.

As I've concluded that the resolution offered by Moneybarn was fair and reasonable in the circumstances, I don't require Moneybarn to take any further action in respect of this complaint.

**My final decision**

My final decision is that I don't uphold Mr A's complaint about Moneybarn No. 1 Limited trading as Moneybarn.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 October 2025.

Benjamin John  
**Ombudsman**