

## **The complaint**

Miss N is unhappy that a car supplied to her under a conditional sale agreement with Moneybarn No. 1 Limited (Moneybarn) was of an unsatisfactory quality.

When I refer to what Miss N has said and what Moneybarn has said, it should also be taken to include things said on their behalf.

## **What happened**

In July 2023, Miss N was supplied with a used car through a conditional sale agreement with Moneybarn. The cash price of the car was £17,499 and, with interest, the total payable was £31,382.59. The agreement was set to run for 60 months. Miss N paid an advance of £2,000 and the remaining balance was payable at £498.01 per month for 59 months. At the time of supply, the car was four years old, and had done 80,169 miles.

A month after purchase, Miss N said a warning message appeared on the car advising her to top up the coolant. She took the car to a local garage which assisted her in topping up the coolant. The message appeared again a month later, and then again two months after that in December. Each time, she topped up the coolant.

In April 2024 the car stopped working. Miss N said smoke was coming from the car and there was a leak. She took the car back to a dealership which said the part needed to fix it could take up to six months to arrive. Miss N said the dealership told her to contact Moneybarn to pause payments.

Miss N contacted Moneybarn at the end of July 2024, as advised by the dealership, to ask what her payment options were. She said she'd been paying for the car, but she'd been unable to use it for five months. Moneybarn said she could settle the agreement early.

In August, the car was repaired, and Miss N complained to Moneybarn. She was unhappy that she'd been paying for a car she couldn't use, and it hadn't worked properly since she got it.

As it was more than a year since Miss N got the car, Moneybarn said it asked her for evidence of any faults that had happened within the first six months. After asking again for evidence, with no reply from Miss N, on 10 September 2024 Moneybarn issued a final response to her complaint. It said the repairs Miss N had mentioned were unauthorised but, regardless of that, there simply wasn't any evidence of a fault. And, as Moneybarn hadn't been informed until a year after supply, it was Miss N's responsibility to prove the car had not been of satisfactory quality. Moneybarn didn't uphold Miss N's complaint.

When Miss N brought her complaint to us, our investigator thought Moneybarn should've done more. Miss N had provided us with evidence of work relating to the low coolant levels, but our investigator didn't think it was evidence of a fault from the date of supply. They considered that the coolant level, likely caused by the subsequent broken thermostat housing, was a matter of wear and tear. But Miss N told our investigator that the car had stopped working again in November 2024 because of a problem with the timing chain. Our

investigator said the timing chain could be expected to have a lifetime of 100,000 miles so it had failed prematurely. Our investigator thought Moneybarn should: allow Miss N to reject the car; end her agreement with nothing further to pay; refund the £2,000 advance payment, and refund payments from when the car stopped working in November 2024.

Moneybarn didn't agree, and it asked for an ombudsman's decision.

I issued a provisional decision in March 2025, where I explained my intention to not uphold the complaint. In that decision I said:

*Based on the evidence available, I'm not persuaded, currently, that Moneybarn has done anything wrong here. So I'm not intending to uphold Miss N's complaint.*

*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.*

*This is a regulated consumer credit agreement which means we are able to investigate complaints about it. In considering this complaint I've had regard to the relevant law and regulations. The Consumer Rights Act 2015 (CRA) covers agreements such as this and, under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. I think in this case those relevant circumstances include, but are not limited to, the mileage of the car.*

*So, if I thought the car was faulty when Miss N 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.*

*There's no dispute that Miss N experienced problems with the coolant and thermostat housing. It appears this was resolved once the housing was replaced. The thermostat housing is subject to wear and tear. The mileage was significantly above average for a car of its age, so it's reasonable to think it would've suffered proportionate wear and tear.*

*Moneybarn asked Miss N for evidence of a fault. But she didn't provide anything to show the car was of unsatisfactory quality at the time of supply. Having considered the mechanic's report Miss N provided for our consideration, I'm not persuaded that it's evidence of a fault from the point of supply.*

*As the coolant and thermostat housing are considered wear and tear, and Miss N didn't evidence a fault from the point of supply, I don't think Moneybarn treated Miss N unreasonably by rejecting her request for a refund of her payments.*

*I've noted that Miss N said she couldn't use her car for five months, although it's not clear what period she is referring to. She said the car stopped working mid-April, and it was repaired in early August, so I've taken it to mean this four-month period. However, as I've said, I think it's likely the repair was for wear and tear. Therefore, I wouldn't have expected Moneybarn to refund payments for the time the car was in the garage waiting for repairs.*

*Overall, I'm currently of the view that Miss N hasn't demonstrated that there was a fault with the car from the point of supply. Therefore, I see no reason to ask Moneybarn to end the agreement or refund any payments.*

#### Timing chain

*I realise this will disappoint Miss N but I haven't considered this fault within my provisional decision. That's because it happened in November 2024 which was after Miss N had complained to Moneybarn and after it had issued its September 2024 final response. Our rules don't allow me to consider a complaint that a business has not first had an opportunity to resolve. Therefore, I make no finding in respect of this part of Miss N's complaint. If Miss N remains unhappy, she may wish to approach Moneybarn directly.*

#### Responses

Miss N responded to say she felt the provisional decision was unfair, not least because it was a reversal of the investigator's view. She provided comments on matters already addressed, along with information she considered to be relevant new evidence. Miss N provided lengthy submissions so, rather than repeat them here, I'll address the key points in my findings, below.

Moneybarn didn't provide any further comments in relation to Miss N's complaint. As Moneybarn hasn't said anything to the contrary, I'm taking that to mean it doesn't object to my provisional 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.

To begin with, I think it's important to explain what our service can and can't look at. Our rules only allow consideration of a complaint which a business has had an opportunity to respond to. Here, Miss N brought her complaint to us after receiving Moneybarn's final response, dated 10 September 2024. That response was in relation to her complaint about the coolant and thermostat housing. Therefore, my decision is about that matter only. Miss N has provided significant commentary about subsequent issues, including the timing chain. However, as those matters happened after Moneybarn issued its final response and referred her to our service, and therefore it hasn't investigated these elements of complaint, it's not something I can consider here.

To be clear, I'm not ignoring Miss N's concerns: it's simply not within my remit to decide a complaint Moneybarn hasn't first had an opportunity to resolve. It remains open to Miss N to seek a response from Moneybarn about the timing chain and any other matters she remains unhappy with, including the way Moneybarn has handled her complaint and the arrears on her account. If she remains unhappy after Moneybarn has responded, Miss N may be able to bring a new complaint to us.

Moving on, I've noted what Miss N said about my provisional decision being a reversal of our investigator's view. I don't doubt that it would've been a disappointment to her. For the reasons explained above, I've only addressed the complaint about the coolant and thermostat housing, and I think Moneybarn had reasonably concluded that there was insufficient evidence to suggest the problem was anything other than wear and tear. Our investigator also thought that Moneybarn had reasonably reached that same conclusion. Regardless of that, our service provided both parties an opportunity to comment. Moneybarn didn't agree with the rest of our investigator's view, and I was satisfied that there was merit in

its arguments which warranted a change in outcome. Miss N hadn't provided the selling dealership or Moneybarn with an opportunity to assess and/or repair the car within the first six months. This is expected under the CRA if a car is to be rejected. The car's mileage was significantly above average when it was supplied to Miss N, so I don't think Moneybarn treated her unfairly by asking her to provide evidence that a problem was likely present from the date of supply. In the absence of persuasive evidence, I remain of the view that Moneybarn reasonably declined Miss N's request to reject the car.

Miss N said she'd made it clear that her car was not drivable. I can see that she did advise Moneybarn of that and I haven't concluded otherwise. She has been clear from the start that her car was off the road from 13 April to 8 August, which was a four-month period. I understand she confirmed that to Moneybarn in July 2024. This hasn't affected the outcome.

The final point I'll address is Miss N's comment that the manufacturer withdrew the model of car she had. She says this highlights that her car was not fit for purpose. I don't agree. I haven't seen anything in her evidence or in the media to suggest that the car has been withdrawn for reasons other than a business decision to focus on producing other, more popular models. I haven't placed any weight on this.

Overall, having considered the evidence, I'm satisfied that Moneybarn declined Miss N's request to reject her car because there was insufficient evidence to demonstrate that there was a fault present from the date of supply. Therefore, I see no reason to require any action of Moneybarn in relation to this matter.

### **My final decision**

For the reasons explained above and in my provisional decision, I don't uphold Miss N's complaint about Moneybarn No. 1 UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 6 May 2025.

Debra Vaughan  
**Ombudsman**