

## **Complaint**

Mrs A has complained about the quality of a car that Secure Trust Bank PLC (trading as “Moneyway”) supplied to her through a hire-purchase agreement.

## **Background**

In May 2022, Moneyway provided Mrs A with finance for a used car. The car was approximately seven years old and it is my understanding that it had completed just under 95,000 miles at the time of sale. The cash price of the vehicle was £14,999.00. Mrs A paid a deposit of £1,000.00 and applied for finance to cover the remaining amount she needed to complete the purchase. Moneyway accepted Mrs A’s application and entered into a 60-month hire-purchase agreement with her.

The amount borrowed was £13,999.00 and the loan had an APR of 27.4%, interest, fees and total charges of £10,404.00 (made up of interest of £10,394.00 and an option to purchase fee of £10). So the balance to be repaid of £24,403.00 (which doesn’t include Mrs A’s deposit) was due to be repaid in 59 monthly instalments of £406.55 followed by a final instalment of £416.55.

In October 2024, Mrs A complained to Moneyway saying that she was having problems with the engine management light and a squeaking noise. Mrs A also believed that the car had been previously involved in an accident, which she wasn’t made aware of at the time of the sale. Moneyway didn’t uphold Mrs A’s complaint. It believed that any issues were not present on the car at the time it was supplied to her.

Mrs A’s complaint was reviewed by one of our investigators. She thought that the vehicle Moneyway had supplied Mrs A with was of satisfactory quality and she didn’t recommend that Mrs A’s complaint be upheld.

Mrs A disagreed with our investigator’s view and asked for her complaint to be passed to an ombudsman for a final decision. So the complaint has been passed to me to decide.

## **My findings**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

I’m satisfied that what I need to decide in this case is whether the car supplied to Mrs A was of satisfactory quality. Should it be the case that I don’t think it was, I’ll then need to decide what’s fair, if anything, for Moneyway to do to put things right.

I’ve read and considered everything provided. I also want to reassure Moneyway and Mrs A that where I haven’t commented on a specific issue a party has referred to, or a comment that may have been made, it’s not because I’ve failed to take it on board and think about it. The reason I will not have commented on the issue is because I don’t think I need to do so in order reach what I consider to be a fair and reasonable outcome. For the sake of

completeness, I would add that our complaint handling rules, which I'm required to follow, permit me to adopt such an approach.

It may also help for me to explain that I will reach my decision on the balance of probabilities. Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I must reach my conclusion based on what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Having carefully considered matters, I'm satisfied that the vehicle Moneyway supplied to Mrs A was of satisfactory quality and I'm therefore not upholding Mrs A's complaint. I'll explain why in a little more detail.

The finance agreement in this case is a regulated hire-purchase agreement, which we are able to consider complaints about. Under the hire-purchase agreement, Moneyway purchased the vehicle from the dealership Mrs A visited.

Mrs A then hired the vehicle from Moneyway and paid a monthly amount to it in return. Moneyway remained the legal owner of the vehicle under the agreement until Mrs A's loan was repaid.

This arrangement resulted in Moneyway being the supplier of Mrs A's vehicle and so it is also responsible for answering a complaint about its quality.

#### *The Consumer Rights Act 2015 ("CRA")*

The CRA covers hire-purchase agreements – such as Mrs A's agreement with Moneyway. Under a hire-purchase agreement, there are implied conditions that the goods supplied will be of satisfactory quality.

The CRA says the aspects of the quality of the goods and whether they are satisfactory includes their general state and condition alongside other things such as their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

#### *Is there a fault with the vehicle?*

Having considered the information provided I'm satisfied that there is a fault currently present on the vehicle. I say this because while there may be a dispute regarding the party responsible, Mrs A has provided a diagnostic report, dated October 2024, which suggests that the engine management warning light ("EML") on the car was illuminating. The diagnostic goes on to explain this could have been because of issues with the Diesel Particulate Filter ("DPF") and the Turbo.

For the sake of completeness and even though this occurred after Mrs A had already complained to Moneyway, I've also noted that in February 2025 a breakdown recovery agent confirmed that the car had an oil leak from the engine.

I'm therefore satisfied that there was, at the time of complaint at least, a fault with the vehicle which needed to be rectified before it could be driven. As this is case, I'll now proceed to decide whether the fault which I'm satisfied was present at the time of the complaint (and which is likely to be currently present on the vehicle), meant that the car wasn't of satisfactory quality at the point of supply.

#### *Was the vehicle that Mrs A was supplied with of satisfactory quality?*

It is clear that Mrs A has issues with the vehicle. But just because things might have gone wrong with the car, it doesn't automatically follow that it wasn't of satisfactory quality when it was initially supplied to her. I've therefore considered all of the information on the issues Mrs A has highlighted and I have reached my own determination on the quality of the vehicle at the time it was supplied to her.

As I've set out in the section above, there is no dispute that the vehicle Mrs A was supplied with a car that was diagnosed as needing repairs in October 2024. Mrs A says that fact that the car needs repair means that car was not of satisfactory quality at the time of supply. I've reviewed matters and formed my own view on whether the repairs needed mean that the car wasn't of satisfactory quality.

In doing so, I have to keep in mind that the car was over seven years old and had completed close to 95,000 miles when it was supplied to Mrs A. Furthermore, when obtained her diagnostic report she had also completed a further 23,000 miles in the period she had the car. Given the mileage that was completed, it is not unreasonable to expect that the vehicle will have experienced some wear and tear in the period Mrs A was driving it.

In order to consider this matter, I've looked up publicly available records on the MOT history for the car. These records show that an MOT was completed in May 2022 just before the car was supplied to Mrs A in May 2022. The mileage recorded at this time was 94,912 and it appears as though the car passed without any advisories being noted.

For reasons that are unknown, there isn't an MOT record for 2023 on the MOT database. I don't know whether this is because of an error in the records, or because an MOT didn't take place in 2023. However, it looks like the first MOT recorded during the period the car was in Mrs A's custody took place in March 2024. The mileage recorded at this time was 111,244 so around 26,500 miles after the previous MOT recorded and around 7,000 miles before Mrs A obtained her diagnostic report in October 2024.

While the car initially failed an MOT, before it subsequently passed a retest (with 111,452 miles completed) six days later, the reason for the fail is detailed as offside front seat belt not functioning as intended. Furthermore, when the car subsequently passed the MOT it did so with no advisories being issued. So it's fair to say that there were no recorded issues in relation to an oil leak, the EML, the Turbo or the DPF at this stage.

I'm not saying that this in itself means that the car was in perfect condition. But it does indicate that the car was deemed to be roadworthy, in March 2024. Furthermore, I would have at the very least expected some of the issues noted in October 2024 to have been reported at the time of the MOT, if they had been present or developing at the point the car was supplied to Mrs A. This is particularly as matters such as an oil leak on the engine and issues with the DPF, which is likely to affect the car's emissions, will have affected whether the car was legally roadworthy.

I'm also mindful that Mrs A had the car for approaching two and a half years and it had covered 23,000 miles before these issues were reported. I would have expected any issues with the oil leak and the DPF to have manifested much sooner than this had they been present at the time of supply. This is particularly given the effect that the DPF is likely to have had on the car's emissions. So the fact that Mrs A was able to get as much use out of the car as she was able to, and before she began experiencing any problems, leads me to consider that any issues developed after Mrs A was supplied the car.

I appreciate Mrs A's strength of feeling on the matter. I can understand her frustration at remedial work being required sooner than she would have anticipated at the time she took delivery of the vehicle. However, I think a reasonable person would consider that a car will

have suffered some wear and tear, after seven and a half years and nearly 95,000 miles, and that an individual acquiring a vehicle having had such use, is likely to have to carry out some remedial work in the time it is with them.

Overall and having considered everything that Mrs A has said as well as everything she has provided, in relation to the issues she's having with the vehicle supplied, I'm satisfied that it's more likely than not that the issues Mrs A is unhappy with are due to general wear and tear and are to be expected for a vehicle of the age and mileage Mrs A was supplied with.

I do consider that some of these issues deteriorated after Mrs A was supplied the car. But I'm not persuaded that this means that the car supplied to Mrs A by Moneyway was not of satisfactory quality.

### *Misrepresentation*

I've also considered Mrs A's argument that the car was misrepresented to her.

Under s56 of the Consumer Credit Act 1974 ("CCA"), Moneyway, as Mrs A's credit provider, is responsible for any "*antecedent negotiations*" that took place at the time of the sale of the car. These antecedent negotiations include any negotiations "*conducted by a credit-broker in relation to goods sold or proposed to be sold by the credit-broker to the creditor before forming the subject-matter of a debtor-creditor-supplier agreement*."

Therefore, Moneyway could be responsible for any misrepresentations the supplying dealer made to Mrs A during the course of negotiations. Mrs A alleges that the supplying dealer failed to tell her that the car was involved in an accident. I've therefore considered whether this constitutes a misrepresentation.

Generally speaking, a misrepresentation requires a false statement of fact, or law, to have been made and Mrs A hasn't argued that she was told something that she's later found to be untrue. For example, she's not said that she was told that the car had never been involved in an accident. What she's said is that she wasn't told that it had been involved in one. Nonetheless, there are some, admittedly far more limited, circumstances where an omission to disclose a material fact can constitute a misrepresentation by omission.

This would be in circumstances where there was a failure to disclose information that was unique to the particular vehicle concerned and which the customer couldn't reasonably be expected to know about unless they were told about it.

In this case, I note that one of the reasons why Mrs A believes that the car was involved in an accident was because there was a dent in the door at the time it was supplied to her. This dent in the door would have been present on any reasonable inspection at or around the time that the car was supplied. So I have to conclude that Mrs A chose to accept the vehicle in the condition that it was, after having been provided with a reasonable opportunity to inspect it.

As Mrs A chose to accept the vehicle in the condition that she did, I can only assume that she was happy to do so – albeit I accept that she may now be dissatisfied at this. Nonetheless, and most importantly I don't think that the dent in the door was concealed as Mrs A ought to have been aware of this at the time of supply.

In any event, notwithstanding the fact that the car may have had a dent in the door at the point of supply, it isn't unusual for a vehicle which has completed close to 95,000 miles to require, or even have had, some cosmetic repairs to the bodywork. So I don't think the fact that the car was clearly not in as new condition, is surprising.

Equally, I'm also mindful that I've not been provided with any conclusive evidence that the car was involved in a significant accident prior to it being supplied to Mrs A either. I accept that the diagnostic Mrs A has supplied suggests that the mechanic believes that the car may have been involved in an accident. However, there isn't anything at all to suggest that if any accident took place when it did and how significant such an accident was.

So I don't think that the diagnostic report Mrs A has supplied provides conclusive evidence that the car was involved in a significant accident prior to it being supplied to her. At best, all it does is suggest that the vehicle may have been involved in an accident at some point in its history. And it's perfectly possible that this could have occurred after the car was supplied to Mrs A. If Mrs A wishes to obtain further information confirming if and when the car was involved in a significant collision, she's free to provide this to Moneyway for it to consider in the first instance. But for now, I've not been persuaded that the car Mrs A was supplied with had been involved in a significant accident prior to being supplied to her.

In these circumstances while I've thought about what Mrs A has said, I've not been persuaded that the supplying dealer omitted to disclose a material fact about the vehicle – that it had been involved in significant collision – during negotiations for its sale. And as this is the case, it follows that I've not been persuaded that the supplying dealer made a misrepresentation by omission.

Overall and having considered everything and while I sympathise with Mrs A's position, I've not been persuaded to uphold her complaint. I appreciate that this is likely to be very disappointing for Mrs A – particularly as she will be left in a position where she is being expected to pay for a car which she says she's unable to use unless and until it is repaired. But I hope she'll understand the reasons for my decision and that she'll at least feel her concerns have been listened to.

### **My final decision**

For the reasons I've explained, I'm not upholding Mrs A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 21 July 2025.

Jeshen Narayanan  
**Ombudsman**