DRN-5735364

The complaint

Mrs K complains about the quality of a car supplied to her by Moneybarn No. 1 Limited ("Moneybarn").

What happened

In late August 2024, Mrs K entered into a conditional sale agreement with Moneybarn for the supply of a used car. The car was around ten years old and had covered approaching 79,000 miles at the point of supply.

She raised concerns with the supplying dealership immediately about a warning light which was on to do with the tyre pressure monitoring system. She's provided us with screen shots of text messages between herself and the dealership about the issue (and some other issues), and attempts to resolve it, including looking at swapping the car for another.

Attempts were made to resolve the problems by replacing the sensors, but by November, the warning light was present again. Mrs K was also having issues with not being supplied the service history she'd been promised, the logbook, and issues with screen washer not working, as well as a rear-view mirror falling off.

Alongside considerable communication with the supplying dealership, Mrs K had also raised her concerns with Moneybarn directly in late October 2024.

They investigated and issued their final response letter (FRL) in January 2025, not upholding the complaint. They said that the supplying dealership had rectified the tyre pressure warning light originally by putting the correct amount of air into the tyres and found no other faults. They had also asked Mrs K to take the car to an independent garage for a health check, which didn't show any faults, so there was nothing further they could do.

Unhappy with this, Mrs K brought her complaint to our service. An investigator here investigated it and upheld it, saying that while a fault wasn't diagnosed, the warning light had been lighting up for the tyres pressure warning system, that the supplying dealership had had a chance to repair this and Mrs K had shown it was still faulty, so as the repair had failed, she had the right to reject the car.

Mrs K accepted this, but Moneybarn didn't. They said that they weren't aware of any of the known fixes being carried out for problems with the tyre pressure monitoring system (TPMS), they also said that there was no evidence of any repairs being attempted, and that Mrs K was supposed to be sent replacement sensors to have installed, which may fix the issue, as they are battery powered so do wear down and are a wear and tear item. They asked us to confirm if any of these things had been carried out to fix the problems.

Having reached an impasse, the case was sent for an Ombudsman to make a final decision and has come to me for this decision.

I issued a provisional decision on 21 July 2025 as follows:

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

Having done so, I've reached broadly the same overall conclusions as the investigator, but for slightly different reasons and with different redress to put things right. 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.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mrs K was supplied with a car under a conditional sale agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Moneybarn are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history and its durability. Durability means that the components of the car must last a reasonable amount of time.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Moneybarn can show otherwise. But, where a fault is identified after the first six months, the CRA implies that it's for Mrs K to show it was present when the car was supplied.

So, if I thought the car was faulty when Mrs K 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.

I'm afraid this case has become very convoluted and confused, largely due to the conversations between the supplying dealership and Mrs K, compared to what seems to have been discussed between Moneybarn and the supplying dealership.

As an example, Moneybarn have said that they've had no evidence of any job cards for repair work carried out by the supplying dealership to replace the TPMS sensors, whereas Mrs K has supplied text message conversations with the supplying dealership showing they booked her car with a warranty garage to replace all the sensors in September 2024. Neither is explicitly wrong, as the supplying dealership themselves probably don't have job cards to show this work was carried out, as it was done by a third party, but they did arrange and send the sensors for that work to be carried out at a third-party garage.

I don't think Mrs K has helped herself here either, in that it appears she's signed for the car, driven it away, and then realised she doesn't have things like the promised service history, the logbook, the set of new mats promised, and the TPMS warning light was on from the day she drove the car away. This has led to a convoluted conversation with the other parties involved to try to resolve a lot of things, rather than a focus on the significant issues.

She's also clearly spent time discussing swapping the car for a different one with the supplying dealership, which they've been happy to engage in, but by the time this issue was raised with Moneybarn, they've said the supplying dealership explained they were *discussing buying her car back and setting up a new finance agreement for a new car. This isn't reflected in the text message conversations we've been supplied, which were clearly about swapping the car and keeping the same agreement. I know this would likely never happen, but Mrs K hasn't been told this explicitly, which has led to further distractions from the problems at hand with her supplied car.*

I've thought about whether I can rely on these text message transcripts, as there is no proof they are actually with someone from the supplying dealership. On reflection, I think they are most likely to be accurate, but I wanted to find some further corroborating evidence about the issues with the car, to give me comfort that rejecting it is a fair decision.

I found that proof in the form of the MOT history of the car. It turns out that the car failed an MOT in November 2023 for reasons including "TPMS malfunctioning or obviously inoperative". This says that less than twelve months before supply, and at 6,000 miles less than the mileage when the car was supplied, the TPMS system was not working properly.

I'm satisfied that this provides me evidence that it is most likely that there is a problem with the TPMS system on this car. The supplying dealership have accepted that this TPMS warning light had come on immediately after Mrs K drove the car away and have confirmed in text messages that they've had replacement sensors sent to a garage more local to Mrs K to be fitted under warranty in September 2024.

I'm not clear if these replacements were ever carried out, however. I say this because in November 2024 Mrs K has told the supplying dealership that the warning light is on again, and she can't get the invoice for what repairs were carried out previously as the garage who had seen the car had dealt with the supplying dealership for payment, not with her, so wouldn't supply her with this information.

I think for the purposes of this complaint, this isn't relevant. What I can say with confidence is that this car, ten months prior to Mrs K's ownership, had problems with the TPMS. When supplied to Mrs K, the warning lights for the TPMS immediately came on again, and it would seem that the obvious solution, to alter the tyre pressure, was tried more than once, and that the car was then booked in by the supplying dealership to a warranty garage to replace the sensors. Then a short while later, perhaps five or six weeks, Mrs K has told the supplying dealership that the same warning lights have come on again and supplied photos to show it's the same TPMS warning light.

Moneybarn arranged for Mrs K to take the car to a local garage for a health check, but I don't believe anyone asked the garage to look for anything in particular or investigate any issues in particular. As such, knowing that it was possible to alter the tyre pressure to give a very short period where the warning light would turn off, I think this health check gives us no useful information, as it simply said it didn't find a problem, without looking for the problems discussed previously.

I've gone on to think about Moneybarn's argument that replacing sensors is a wear and tear issue, as they run on batteries so have a limited lifespan. I agree with that statement, but I don't think the evidence suggests this is a problem with the sensors. It's failed the MOT in 2023 for the TPMS system not working, the system hasn't worked again the following year when the car was supplied to Mrs K, and then it seems the sensors have likely been replaced, but that hasn't fixed the problem. I've also thought about the fact that Mrs K reported this to the dealer inside the first week of receiving the car and she asked to give the car back within the first month as it wasn't good enough and had various issues, so she has attempted to exercise her short-term right to reject in the first 30 days.

I've thought about whether Mrs K should have had the right to reject, and I'm persuaded that *she should. Whilst it's possible that it may be a simple fix, it still hasn't been diagnosed correctly, and fixed. It's now eleven months since the car was supplied, and she still has the same problem she reported in the first week. Alongside this, the car isn't safe if the TPMS system isn't working, because whilst she can continue to drive it with a warning light on, if the tyre pressure does actually become low, she would be unsafe to drive the car potentially. It's clear from her testimony that this has caused her a lot of worry and concern, to the point she hasn't been driving the car.*

I think what she told the supplying dealership was a clear enough indication that she wanted to reject the car, and I'm persuaded that this would have been a fair resolution to things. However, she became distracted by talk of swapping the car for a different one, and ongoing attempts to fix things, and by the time things were reported to Moneybarn, it was well outside of that initial right to reject period of 30 days, even though I can see she had asked to reject prior to this.

As such, I think rejection is still the fairest option. After multiple attempts to fix the TPMS problems, she has lost faith in the car, and I am satisfied that the TPMS system has an undiagnosed fault, repairs have failed, and she should now be able to reject the car. If I was persuaded that the problem was just the sensors needing replacement, I would agree with Moneybarn that this is a wear and tear item and doesn't make the car of unsatisfactory quality. But the evidence suggests that the sensors have been changed without this resolving the problem, and also that the car was having this problem with its TPMS in 2023 when it failed its MOT, so I am persuaded something more fundamental is wrong with the TPMS and this gives Mrs K the right to reject the car.

I don't agree with the redress proposed by the Investigator which doesn't seem to fit with the specifics of this case, so I would say the following should be carried out. Mrs K has stopped using the car since some point in November due to these problems, so I think it would be fair for her to be refunded her monthly payments from 1 December 2024 onwards. She should also be refunded her deposit/advance payment, and I think her distress and inconvenience has been considerable, largely based on being told one thing by the supplying dealership, and another by Moneybarn who weren't party it seems to the conversations with the dealership. I propose Moneybarn should pay her £400 for the distress and inconvenience caused.

Putting things right:

I intend to instruct Moneybarn to carry out the following actions to put things right here:

- *End the agreement with no further monthly payments for Mrs K to pay.*
- *Collect the car at no cost to Mrs K.*
- *Refund the deposit/advance payment for the car made by Mrs K.*
- *Refund all monthly payments made since 1 December 2024 on the agreement.*
- *Pay 8% simple interest on all refunded amounts from the date of payment to the date of settlement.*
- *Remove any adverse date regarding this agreement from Mrs K's credit file.*
- *Pay Mrs K £400 to reflect the distress and inconvenience caused by the supply of the faulty car.*

My provisional decision

I intend to uphold this complaint.

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.

Mrs K responded to my provisional decision to accept it, but Moneybarn have not responded. As such, I see no reason to change anything from the provisional decision or its reasoning and will be upholding the complaint.

Putting things right

I instruct Moneybarn to carry out the following to put things right:

- End the agreement with no further monthly payments for Mrs K to pay.
- Collect the car at no cost to Mrs K.
- Refund the deposit/advance payment for the car made by Mrs K.
- Refund all monthly payments made since 1 December 2024 on the agreement.
- Pay 8% simple interest on all refunded amounts from the date of payment to the date of settlement.
- Remove any adverse date regarding this agreement from Mrs K's credit file.
- Pay Mrs K £400 to reflect the distress and inconvenience caused by the supply of the faulty car.

My final decision

I am upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 2 September 2025.

Paul Cronin
Ombudsman