

The complaint

Mr P complains about the quality of a car he has been financing through an agreement with MONEYBARN NO.1 LIMITED trading as Moneybarn. He also says the car was misrepresented to him.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr P took receipt of a used car in May 2020. He financed the deal through a conditional sale agreement with Moneybarn.

Mr P complained to Moneybarn. He said they should have made him aware that the car had had significant accident damage repaired on three previous occasions prior to it being supplied to him. He said he wouldn't have proceeded with the deal if he'd known about that at the time. He also complained that the interest level on the agreement hadn't been properly explained to him. He raised concerns that the SD navigation card was missing and that he had to have a headlight replaced shortly after he took receipt of the vehicle.

Moneybarn said they weren't aware of previous repairs that had taken place on the car and that they weren't obliged to disclose that information to Mr P. They said they'd completed a HPI check, and the car hadn't been reported as a write off. They thought they'd provided sufficient information about the interest rates that were to be paid under the agreement. In relation to the SD card, they explained that they had arranged for a replacement and had paid Mr P £50 in compensation. They didn't think the damaged headlight was evidence the car was supplied in an unsatisfactory condition.

Our investigator didn't support Mr P's complaint, so Mr P asked for a decision by an ombudsman.

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.

I agree with the investigator's view of this complaint and for broadly the same reasons. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

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 P has also complained that the finance shouldn't have been approved because it wasn't affordable for him. That complaint is being considered separately and is not something I will be looking at here.

Satisfactory quality

Mr P acquired his car under a regulated consumer credit agreement. This means our service is able to consider complaints about it. Under the Consumer Rights Act (2015), the car must have been of satisfactory quality when supplied. Given the car was about three and a half years old and had covered about 82,000 miles, a reasonable person would expect signs of wear and tear. The legislation requires us to assess whether the car's condition at the time of supply met reasonable expectations for a vehicle of that age, mileage, and price.

Mr P reported a faulty headlight to the dealership within weeks of taking receipt of the car. The relevant legislation allows a business one opportunity to repair faults present or developing when the car is supplied. Given how quickly the fault was reported, it may have been present when the car was supplied. If that was the case, then Mr P has received the redress the law allows as the headlight was replaced. I've considered if Moneybarn should provide any compensation to Mr P as he's explained he was without the car for a time. I'm not persuaded they should as I think the evidence of what caused the fault and how long the car was off the road is weak given it wasn't reported for several years. I'm also aware that electrical faults can happen at any time and without warning. So, it doesn't necessarily follow that the headlight was faulty when the car was supplied. All told, I don't think Moneybarn needs to take any further action in respect of the headlight.

Mr P has also explained that he wasn't provided with a satellite SD card. Moneybarn organised a new card and Mr P accepted that and their offer of compensation. He's explained to us that he's happy with that resolution.

Misrepresentation

Misrepresentation is, in very broad terms, a statement of law or of existing fact, made by one party to a contract to the other, which is untrue, and which materially influenced the other party to enter into the contract.

Section 56 of the Consumer Credit Act (1974) explains that finance providers are liable for what they say and for what is said by a credit broker or a supplier before the consumer takes out the credit agreement. So, if the dealership or broker told Mr P something that was untrue and if that led him to enter into a contract that he wouldn't otherwise have entered into, I may think the agreement had been misrepresented and ask Moneybarn to take some action.

Mr P says he was given false information. He says he wasn't given the information he needed to make an informed choice about interest levels, and he says he should have been told about previous damage that had been repaired on the car.

Interest rates

The Conditional Sale Agreement prominently shows the interest rate that is to be applied and that's also referred to in the Explanation Document. The agreement was signed remotely, and I think Mr P had sufficient time in which to absorb the details presented to him in these documents so he could understand the interest that would be charged. I don't think there is evidence the agreement was mis-represented on that basis.

Damage repairs

There is no obligation on Moneybarn or their representative to provide information on previous repairs that have been completed. The car was three and a half years old and had already covered about 82,000 miles. That context sets a reasonable expectation that the vehicle would show signs of wear and may have had prior repairs. Moneybarn completed HPI checks that demonstrated the car hadn't previously been written off and having considered the report Mr P has provided there is not much information about what damage was repaired that would suggest it was so significant that it had to be shared with a prospective buyer. I don't, therefore, think the car was misrepresented to Mr P because he wasn't told about previous damage repairs. Nor do I think the fact the car had previously been repaired would demonstrate that the car was unfit for use or below the standard expected of a vehicle of this type and history.

I'm not therefore persuaded to ask Moneybarn to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 4 December 2025.

Phillip McMahon
Ombudsman