

The complaint

Mr A complains about a motor finance agreement he had with MONEYBARN NO.1 LIMITED (MB). Mr A is unhappy that the vehicle related to the motor finance agreement was not of satisfactory quality when it was supplied to him.

What happened

In August 2024, Mr A acquired a used vehicle using a conditional sale agreement with MB. The car was about six years old and had travelled 92,450 miles when it was supplied. The cash price of the car was £10,799. An advanced payment of £1,799 is listed, so the total amount financed on the agreement was £9,000 payable over 59 monthly instalments.

Mr A made three complaints about faults he was experiencing with the car. MBL investigated the complaints and upheld the first two, however, as the repairs were to be carried out by the dealership or a nominated third-party garage, MBL closed the complaints and paid Mr A some compensation for the loss of use and inconvenience caused.

Mr A's third complaint was raised in April 2025, he said there were a number of issues still present on the car. However, MB didn't uphold this complaint as they couldn't confirm the issues Mr A reported were related to failed repairs or whether they were a result of in-service wear and tear. MBL suggested Mr A may decide to arrange an independent inspection of the vehicle to determine if the issues were likely to be as a result of failed repairs, or present and developing at the point of supply.

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

In August 2025, our investigator issued their view on the complaint and recommended that it shouldn't be upheld. In summary the Investigator concluded that the repairs carried out were successful and there was no evidence to say the most recent issues were present or developing when the car was supplied to Mr A.

Mr A didn't accept the Investigator's view, however as the view remained unchanged, Mr A asked that the 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 MBL. MBL 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 MBL supplied Mr A with a vehicle that was around six years old and which had travelled around 92,450 miles. With this in mind, I think it's fair to say that a reasonable person would expect the level of quality to be less than that of a brand-new car with lower mileage; and that there may be signs of wear and tear due to its usage which may impact its overall quality and reliability, so there'd be an increased likelihood of unforeseen problems surfacing sooner than in a new vehicle.

From the information provided I'm satisfied there was a fault with the car. This is apparent from the breakdown report dated in October 2024, which confirmed there were faults which included "*Exhaust gas leak near turbo, exhaust fumes in cab*". In addition to this both parties have accepted the car had faults which required a repair. MBL acknowledged there were faults in its final responses (dated 6 January 2025 and 19 February 2025) to Mr A's first two complaints, and confirmed that the dealership had accepted full liability. Having considered the car had a fault, I've considered whether it was of satisfactory quality at the time of supply.

Satisfactory quality

I don't think it's in dispute that the car had faults soon after supply. Both parties accepted that, and MBL in their final responses upheld that part of Mr A's complaint and accepted the dealership's liability to repair the faults. So, it follows that I'm persuaded the car wasn't of satisfactory quality when it was supplied.

However, what appears to be in dispute is whether the current issues Mr A describes are a result of failed repairs or repairs that weren't carried out, and if so whether MBL what MBL should do to put things right, given it's already considered the earlier issues rendered the car of unsatisfactory quality at supply. Mr A raised a third complaint with MBL in April 2025. Within that complaint he raised a number of faults with the car which included an exhaust leak which he said had returned after an earlier repair.

MBL asked Mr A to provide evidence of the current faults, however they've said he's not been able to do so.

In the circumstances I think it's reasonable that some evidence is provided to demonstrate the reported faults. For example, this could be in the form of an independent inspection

report or mechanics diagnostic. If faults are reported in the first six months it's expected, under the CRA, that the supplier would investigate the faults to ascertain whether they were present or developing at the point of supply, however given these faults have been reported in excess of six months, it's reasonable that Mr A should provide some evidence that a fault is present.

I acknowledge that Mr A believes the issues were a result of repairs not carried out, so they'd be the same as before, however as MBL has confirmed previous repairs had taken place, and Mr A confirmed they'd been carried out, I think it's reasonable to show that they still exist.

In August 2025, our Investigator asked that Mr A provide some evidence of the current faults. Mr A provided a diagnostic from a third-party garage dated 18 August 2025, which confirmed there were no fault codes in the ECU, no signs of an exhaust leak and recommended an oil change. It also advised of high oil levels as the diesel particulate filter (DPF) was likely attempting a regeneration while driving. Mr A also referred to previous evidence he supplied for example the breakdown report and images of the car's underbody being in a poor condition.

Having thought about what Mr A had said, and the information provided, I'm not persuaded a fault exists with the vehicle that was related to a previous repair. In relation to the DPF, a regeneration whilst driving tends to be a standard feature of many diesel vehicles and the performance of the DPF is dependent on various factors, including how the vehicle is driven. In addition, I think it's reasonable to consider the age and mileage of the vehicle when it was supplied to Mr A.

The vehicle was around six years old and had travelled over 92,000 miles. It's reasonable to expect the car would be presenting problems sooner than a newer vehicle. There's a reasonable expectation that there would be considerable wear and tear with many of the components, so it's expected that the car would require maintenance sooner than if it was newer. The cash price of the car was just over £10,000, and whilst it's not insignificant, it is a significant reduction from brand new, and a reflection of the condition the car is provided in.

Having considered all the information provided, I'm not persuaded the issues Mr A has raised are as a result of failed repairs or related to previous issues and so I won't be asking MBL to take any further action in relation to this complaint.

My final decision

My final decision is that I don't uphold Mr A's complaint about MONEYBARN NO.1 LIMITED.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 15 December 2025.

Benjamin John
Ombudsman