

The complaint

Mr K is unhappy that a van supplied to him under a conditional sale agreement with Moneybarn No.1 Limited trading as Moneybarn was of an unsatisfactory quality.

What happened

In October 2024 Mr K was supplied with a used van through a conditional sale agreement with Moneybarn. The agreement was for £12,916.98 over 42 months: with an advance payment of £1,220.09 followed by 41 monthly payments of £285.29. At the time of supply, the van was around eight years old and had done 69,300 miles.

Mr K said he had the van for just four months when he noticed a noise when driving. He took the van to a local garage who told him that the driveshaft had previously been repaired, and there was no oil in the gear box. Mr K said the local garage said the fault was with the gearbox.

He said he complained to the supplying dealer who referred him to a warranty company. Mr K said the warranty company refused to pay for any repair as it said the fault was related to the previous work done before the van was supplied to him.

He said he no longer wanted the van but Moneybarn wouldn't allow him to reject it. He said Moneybarn had based their decision on an independent engineer's report. He was unhappy because the engineer hadn't done a full inspection as he hadn't removed the gear box to identify the cause of the problem.

Moneybarn said that Mr K complained to them in March 2025 about the unusual sound when driving and asking to reject the vehicle.

They arranged an independent inspection of the van. They said this found that the faults were due to wear and tear as a result of normal use of the van. They said the independent engineer concluded there was no evidence of an inherent fault, so they didn't uphold his complaint. They did offer him £200 for their delay in resolving Mr K's complaint.

Mr K was unhappy with this response, so he referred his complaint to our service for investigation.

Our investigator said he thought the problems were due to a reasonable level of wear and tear. This was based on the report from the independent engineer, and the recent MOT history.

Mr K didn't agree with the investigator. He said the independent engineer's report wasn't comprehensive and there needed to be a further investigation.

Because Mr K didn't agree, this matter has been passed to me to make 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. 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. Mr K was supplied with a van under a conditional sale agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

Both our investigator and Moneybarn applied the rules and guidance contained in the Consumer Rights Act 2015 ("CRA") when considering Mr K's complaint. But Mr K said he uses the van for work. The CRA defines a consumer as "an individual action for purposes that are wholly or mainly outside that individual's trade, business, craft or profession".

It appears to me that Mr K is acting in his capacity as a sole trader so doesn't meet this definition, and so the CRA doesn't apply here.

But the conditional sale agreement he entered into is covered by the Sale of Goods Act 1979. Similar to the CRA, it says that goods supplied must be of satisfactory quality. The concept of satisfactory quality includes whether goods are free from defects, reasonably durable, fit for purpose, and as described.

Mr K acquired a used van that cost £7,590. It was around eight years old and had around 69,000 miles on the odometer. I think a reasonable person would expect a van of that age and mileage to have more wear and tear than a new van. And that it may need repair or maintenance sooner than a newer van would.

In this complaint it's not disputed there was a problem with the gearbox. The issue I need to consider is whether or not this fault was present when the van was supplied to Mr K.

Both Moneybarn and our investigator were persuaded by the report from the independent engineer. I've seen a copy of the independent engineer's report, dated 2 July 2025. In this report, the engineer concluded that the faults would not have been present or developing at the point of sale. So in his opinion the van was of a satisfactory quality when supplied.

He did confirm there was a ticking noise emitting from the gearbox area, and he said the selection of first gear was notchy and difficult to engage. The independent engineer acknowledged that the repairs may be considered "*unexpected*", but he also stated his expert opinion that the repair was commensurate with the van's age and mileage of 73,000 miles.

Importantly, I'm persuaded by his statement that he would have expected the fault to have arisen within the first 1,500 miles of usage if it had been present at the point of sale.

The engineer also confirmed their duty is to the courts, not to the person who instructed or paid for the report. As such, I'm satisfied this report is reasonable to rely upon.

So I'm persuaded that the van was of a satisfactory quality when Moneybarn supplied it to Mr K.

I've also considered the other evidence presented by Mr K. This includes an email from a local garage. This says that he believed the gearbox needed replacing as "*it is on its way out*".

I take this to mean that it still in working order but is nearing the end of its lifespan. Rather than confirming there was a fault with the gearbox at the point of supply, this statement suggests to me that the gearbox was requiring replacement due to wear and tear.

There are references in the independent report and from the local garage to the driveshaft replacement, and a potential lack of oil in the gearbox, and how these may be connected to the current issue with the gearbox. There's no information about when this work was done, or by whom. So I've reviewed the recent MOT history: there's no reference to any oil leaks in the tests done in March 2024 or October 2024. I'd have expected to see at least an advisory note if the fault had been present at the time of the tests.

I note that he'd driven 4,400 miles before it broke down. So I'm satisfied that the van was of a satisfactory quality when supplied, and that the issues Mr K experienced arose from the time and usage he's had of the van.

I'm satisfied that the van meets the expectation of satisfactory quality as defined under the Sale of Goods Act 1979. If my assumption that he used the van wholly or mainly for work is wrong, and he does meet the definition of a consumer as set out in the CRA, I'm likely to reach the same conclusion. That's because I'd be likely to find that the van was of a satisfactory quality, under the CRA, when supplied to Mr K.

I appreciate how upsetting and disappointing it will be for Mr K to have to pay for a repair when he'd only had the van for four months. But as I've explained above I'm satisfied that the fault arose from wear and tear in the 4,400 miles he did, as the engineer said he would only have been able to do 1,500 if the fault had been present when the van was supplied to him.

My final decision

For the reasons explained, I don't uphold Mr K's complaint about MONEYBARN NO.1 LIMITED trading as Moneybarn.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 17 December 2025.

Gordon Ramsay
Ombudsman