

The complaint

Mr D complains that MONEYBARN NO.1 LIMITED ('Moneybarn') supplied him with a car that was of unsatisfactory quality.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

Mr D acquired a car under a conditional sale agreement in March 2024; the car was almost nine years old and had completed about 90,000 miles; the cash price was £12,665.

Soon after acquiring the car Mr D says, he experienced issues with the vehicle. He said amongst other things that the engine warning lights activated within 48 hours of acquiring the vehicle which prompted him to contact the dealership. The vehicle underwent some repairs at no cost to Mr D. And over a year later the ongoing engine light was diagnosed as a potential failed head gasket or crack in the engine. So, he complained to Moneybarn asking to reject the vehicle as he didn't think it was of satisfactory quality.

Moneybarn commissioned an independent inspection which was carried out in July 2025. Based on the engineer's findings Moneybarn issued its final response letter. In short it said it didn't uphold the complaint because whilst the engineer confirmed faults were present, it concluded they would not have been present or developing at the point of supply. So, it didn't think the car was of unsatisfactory quality. But it did offer £350 compensation for the delay in investigating the complaint.

Our Investigator looked into things but didn't think Moneybarn needed to do more to put things right. She said she didn't think the car was of satisfactory quality when supplied, given the faults Mr D experienced. But she said although there were some faults with the car, repairs were successful and so she didn't think Moneybarn needed to take any further action to put things right.

Mr D disagreed. In summary he said he raised the issues within the first six months of acquiring the car, so the faults were present and developing at the point of supply. He said the independent inspection does not prove the faults were not present at purchase and the engine failure along with the persistent engine management light illuminating were not normal wear and tear.

As an agreement couldn't be reached the complaint has been passed to me to decide.

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 our Investigator and for broadly the same reasons. I know this will come as a disappointment to Mr D, but I will

explain my reasons below.

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 good industry practice at the time.

The conditional sale agreement entered by Mr D is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. Moneybarn is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mr D entered. Because Moneybarn supplied the car under a conditional sale agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA also says that the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr D's case the car was around nine years old and had travelled around 90,000 miles when it was supplied. The price of the car was also lower than it would have been if it had supplied new.

So, I think it's fair to say that a reasonable person would expect that parts of the car might have already suffered wear and tear. And there's a great risk the car would've needed repair/and or maintenance sooner than a car which wasn't as road worn when it was supplied.

There appears to be little or no dispute that Mr D experienced several issues with the vehicle following purchase. This is evidenced by diagnostic reports, job sheets and invoices detailing the faults Mr D experienced. In April 2024 a job sheet confirming a reported knocking noise on the nearside front resulted in the anti-roll bar link being replaced. There is also a diagnostic report confirming a fault code relating to the engine control module. In July 2024 a new oil level sensor was fitted, followed much later by replacement tyres, brake pads and discs.

Based on the evidence available, I am satisfied that repairs to the anti-roll bar link and oil sensor were undertaken appropriately, at no cost to Mr D and that the identified faults were resolved at that time. Mr D continued experiencing problems with the car and the vehicle underwent further diagnostics confirming, amongst other things, fault codes for engine management. In April 2025 the turbocharger was replaced, at which point the vehicle mileage was almost 105,000 miles.

Mr D says he reported issues with the engine management light soon after acquiring the vehicle, and I have taken this into account when considering whether the eventual engine failure was linked to earlier faults.

The CRA implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it is presumed the fault was present when the car was supplied, unless Moneybarn can show otherwise. But, where the fault is identified after the first six months, the CRA implies that it is for Mr D to show it was present when the car was supplied. The business is allowed one opportunity to repair the fault. If the repair isn't successful, the consumer can reject the car.

An independent inspection was carried out in July 2025, the engineer said:

'01 In our opinion based on the visible evidence, we can confirm we did identify issues in the form of excessive cranking time and exhaust gases present in the cooling system, which would be consistent with head gasket failure, a rattle from the top end of the engine consistent with timing chain growth, the particulate filter light on the dashboard being illuminated consistent with excessive soot content in the diesel particulate filter and fault codes present for reduced oil pressure and turbocharger under boost.

02 Faults of this nature would be due to wear and deterioration and would not be unexpected on a vehicle of this age and mileage.'

It concluded:

'C1 We note from the information provided in our instructions that the vehicle has been on hire for 438 days and has reportedly covered 14,206 miles. However, we now note that the vehicle's current mileage has been confirmed and the vehicle has covered 17,807 miles since hire to the date of our inspection on 25/07/25.

C2 We would conclude that we did identify issues at the time of our inspection. Considering the vehicle has incurred 17,807 miles since purchase we would consider, based on our engineering perspective, that the issues would not have been present or in development at the point of vehicle sale'.

Having reviewed the findings, notably it recommended work needing attention included:

'P1 Head gasket set, fluids and sundries, diesel particulate filter cleaning or replacement, timing chain kit replacement and further investigation to ascertain the root cause of the fault codes stored in the vehicle's ECU'.

Whilst the report confirms there are faults present and that there are components which require repair or replacement, it concluded that the faults complained of would not have been present or developing when Mr D acquired the vehicle.

I have considered Mr D's comments about the findings of the report, and I understand why he questioned its conclusions. But the car was inspected by a qualified motor technician, and the findings are supported by clear mechanical reasoning and inspection results. The conclusions made support that whilst there are faults with the vehicle, they would not be considered to have been present or developing at the point of supply. As such, I am satisfied the report is reasonable to rely on.

In my view, it is highly unlikely the vehicle would have been able to complete such mileage; almost 18,000 miles, without noticeable performance issues if the turbocharger had been defective at the point of supply. I also note that the earlier faults and warning lights reported shortly after acquisition related to separate components and systems which were diagnosed and repaired at the time.

There is no technical evidence before me to demonstrate that those earlier issues, including the anti-roll bar link, oil level sensor, or initial engine management warnings — were causally linked to the later turbocharger failure. The independent inspection indicates the turbocharger fault was consistent with wear and deterioration, which supports the conclusion that the failure developed over time rather than being the continuation of an earlier unresolved defect.

I understand Mr D complained to the supplying dealership about the engine management

light appearing soon after acquiring the vehicle and, having reviewed the evidence Mr D provided by way of screenshots of conversations exchanged, I am satisfied it is likely there was an issue with the diesel particulate filter (DPF) when he acquired the car. The dealership initially suggested the DPF may require cleaning or regeneration. A year later, when the independent inspection was undertaken, the engineer assessed it appropriately as part of the overall inspection.

However, I do not consider the presence of a warning light, or the need for cleaning or regeneration of the DPF system, to mean the vehicle was of unsatisfactory quality at the time of supply. Diesel particulate filters are serviceable components designed to accumulate soot during normal operation and require periodic cleaning or regeneration as part of routine vehicle maintenance. The need for such maintenance is influenced by usage patterns, including shorter journeys and driving conditions, and does not in itself indicate an inherent defect or premature failure. In this case, the evidence suggests the DPF remained functional and capable of being maintained rather than defective.

I have no evidence to suggest Mr D caused the issue, but equally I do not consider the need for maintenance of the DPF to mean it was not suitably durable or that it made the car of unsatisfactory quality. This is also supported by the findings in the independent inspection report, which did not conclude that the DPF was inherently faulty or defective at the point of sale.

Further, I also accept that engine management lights illuminated persistently since Mr D acquired the vehicle. However, I am not persuaded the initial warning lights or repairs to the vehicle were linked to the later turbocharger failure. The available evidence indicates these were separate issues which were resolved at the time, and the later turbocharger failure occurred after a significant period of use and mileage consistent with normal wear and deterioration. The independent engineer also supported this view in subsequent correspondence sent to both parties.

That said, I have already explained why I consider other faults with the vehicle were present. Given that repairs relating to those components were required relatively soon after purchase, I do not consider it reasonable to expect those components to fail so quickly under normal circumstances. Therefore, I find it more likely than not that those particular faults were present or developing at the point of sale, which would have meant the vehicle did not meet the standard of satisfactory quality expected at that time.

Section 24(5) of the CRA says “*a consumer who has ... the right to reject may only exercise [this] and may only do so in one of these situations – (a) after one repair or replacement, the goods do not conform to contract.*” This is known as the single chance of repair. And this applies to all issues with the goods, and to all repairs i.e., it’s not a single chance of repair for the dealership AND a single chance of repair for Moneybarn – the first attempted repair is the single chance at repair. What’s more, if a different fault arises after a previous repair, even if those faults aren’t related, the single chance of repair has already happened – it’s not a single chance of repair per fault.

Whilst I acknowledge that Moneybarn repaired the vehicle on more than one occasion at no cost to Mr D, I have not seen any evidence to suggest that Mr D refused those repairs or that the repairs themselves were unsuccessful. I empathise that this isn’t the outcome Mr D would’ve wanted but consequently, I find that Mr D’s rights under the CRA were ultimately met through the repair process.

I understand Mr D also raised concerns about the MOT being completed only months before he acquired the vehicle and he thinks this was done for fraudulent reasons. This is a criminal matter, so not something suitable for this service to deal with as we don’t make legal

determinations. If Mr D wants this investigated, the matter is best dealt with by the courts.

Moneybarn offered £350 compensation for the delay in resolving Mr D's complaint, I think this is a fair offer under the circumstances.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 15 May 2026.

Rajvinder Pnaiser
Ombudsman