

The complaint

Mr V is unhappy that a car supplied to him under a conditional sale agreement with Moneybarn No.1 Limited was of an unsatisfactory quality.

What happened

On 22 April 2025, Mr V was supplied with a used car through a conditional sale agreement with Moneybarn. The agreement was for £6,295 over 49 months, with monthly payments of £170.35. At the time of supply, the car was almost seven years old and had done 90,676 miles (according to the MOT record for 7 April 2025).

Mr V wasn't happy with the quality of the car, and he complained to the supplying dealership. They agreed to take back the car and arrange for the agreement to be unwound, but Mr V refused this offer. The dealership also offered to carry out some repairs to the car. However, Mr V arranged for the car to be repaired at a third-party garage and complained to Moneybarn on 1 May 2025.

Moneybarn responded to the complaint on 29 May 2025, not upholding it. They said the issues with the car were either cosmetic or related to normal wear and tear that could be expected of a high mileage car. They also said that Mr V had had unauthorised repairs carried out, despite the dealership offering to carry these out.

Mr V wasn't happy with Moneybarn's response, and he brought his complaint to the Financial Ombudsman Service for investigation. While this matter was being investigated, Mr V said the car had developed further faults.

Our investigator said that the MOT of 7 April 2025 had an advisory for a worn brake disc, but, as this didn't result in an MOT failure, this didn't make the car of an unsatisfactory quality when it was supplied. What's more, while a subsequent health check had identified a broken heat shield, the investigator didn't think this was present or developing when the car was supplied.

With regards to the cosmetic issues, the investigator said they hadn't seen anything to show these issues were present when the car was supplied, and, regardless of this, Mr V inspected the car before collection and accepted it despite any cosmetic issues that may have been present. Finally, the investigator said there was no evidence to show that the subsequent gearbox and battery issues were present or developing when the car was supplied to Mr V. So, they didn't think Moneybarn needed to take any action.

The investigator also explained that we were unable to consider Mr V's complaints about the warranty, as this didn't form part of the finance agreement with Moneybarn; and we couldn't consider the issues Mr V says he had with the dealership, as these didn't directly relate to the supply of the car.

Mr V didn't agree with the investigator's opinion, providing extensive comments as to why. He believed the issues with the car were present when it was supplied to him, and he said the dealership only offered to replace the brake discs after this work had been carried out.

Mr V also provided photographs of the cosmetic damage to the paintwork on the car. The investigator explained why these comments and photographs didn't change their view.

Mr V remained unhappy with the investigator's opinion, so this matter 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 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 V 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.

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. So, if I thought the car was faulty when Mr V took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Moneybarn to put this right.

The agreement started on 22 April 2025. While Mr V didn't inspect or test drive the car before this date, he did collect it personally. I've seen the photographs he's supplied of the cosmetic damage to the car, which includes minor bodywork damage and poor paintwork over previous repairs. The photographs show that this cosmetic damage was clearly visible.

As Mr V collected the car in person, he had the opportunity to examine the car prior to driving it away. Section 9(4) of the CRA is clear that, where a consumer has had the opportunity to examine the goods before or at the point of purchase, and where there is a clear and obvious defect (as was the case here), or when a reasonable examination ought to have revealed a defect, then there is assumed acceptance of that defect, and it doesn't make the goods of an unsatisfactory quality at the point of supply.

As such, I won't be asking Moneybarn to take any action regarding the cosmetic damage to the car.

Mr V was also unhappy that the brake discs needed replacement, a heat shield was damaged, and the handbrake lever was loose. His correspondence with the dealership shows that he raised the issues with the car with them on 23 April 2025. In an email dated 28 April 2025, the dealership offered to take back the car and unwind the agreement with

Moneybarn. Mr V responded to the dealership in an email the same day, refusing rejection, and asking the dealership “*what [do] you propose to [do to] rectify the obvious faults existing on the vehicle at point of collection.*”

The CRA allows for rejection of the goods within the first 30-days, and this was offered to Mr V. While he was within his rights to refuse rejection, this means that section 24(5) of the CRA then applies – this gives the dealership/Moneybarn the right of a single chance of repair. And it’s fair to conclude that, in asking the dealership what they proposed to do to rectify the situation, that the dealership assumed Mr V was giving them the right to inspect the car for any faults, and to repair these.

However, I’ve seen an invoice dated 30 April 2025, which clearly states “*Date in: 24/04/2025*”, and which shows that Mr V had a health check carried out on the car and two brake discs replaced. This invoice says the car had done 90,787 miles – 111 miles since the MOT was carried out a few weeks earlier. Based on this I’m satisfied that Mr V had no intention of allowing the dealership their single chance of repair and instead intended to (and did) have work done on the car at a third-party garage.

I’ve seen the MOT record for 7 April 2025, when the car had done 90,676 miles. This had an advisory for a worn front brake disc. As this was an advisory, not a failure point, the brake disc met the minimum legal standards for roadworthiness. I’m therefore satisfied that the worn disc didn’t make the car unsafe to drive, nor did it make the car of an unsatisfactory quality at the point of supply. Mr V would most likely have been aware of this by no later than the point of supply – not only would he have received the MOT certificate when collecting the car, which would’ve clearly detailed the advisory, but the MOT record was available to view online before Mr V committed to financing the car.

As such, if Mr V had any safety concerns about the brake disc, he could’ve asked for this to be replaced before he collected the car or refused to collect the car unless this replacement was carried out. Instead, Mr V accepted the car in the reasonable knowledge that a single brake disc would need replacing at some point in the future, and he arranged to have this replaced, along with another brake disc, before raising the issue with the dealership and asking them what rectification work they intended to do.

As the brake disc met the minimum legal standard as set out by the MOT, I’m satisfied that this didn’t make the car of an unsatisfactory quality when it was supplied to Mr V. Given this, and that Mr V denied the dealership the opportunity to replace this as a gesture of goodwill, I won’t be asking Moneybarn to reimburse the costs of this work.

On 27 June 2025, Mr V had a broken heat shield replaced. Mr V says this was broken when the car was supplied to him, and the need for a replacement was identified in the earlier vehicle health check. While the invoice he’s supplied shows this work has been done, I haven’t seen anything that says the heat shield was broken at the point of supply.

I’ve checked the guidance for MOT testing stations and, where a heat shield is missing or damaged, this will result in a vehicle failing the MOT test. As stated above, the car passed an MOT on 7 April 2025, with the only advisory being the worn brake disc. Had the heat shield been broken when the MOT took place, I would’ve expected this to show as an MOT failure. As it didn’t, I’m satisfied that, on the balance of probabilities, the heat shield failed at some point between supply and the health check taking place. And, given the age and mileage of the car at the time, it’s more likely than not that this was due to normal wear and tear. So, it’s not something Moneybarn are responsible for.

I’ve also noted that, in his comments on the investigator’s view, Mr V has raised his concerns that the dealership didn’t carry out the MOT test on 7 April 2025 correctly. This is a

serious allegation of fraud, and fraud can only be determined by the courts. Our rules allow us to say where we think something is better dealt with by the courts, and I'm satisfied this allegation is one of those things. As such, I won't be commenting further on the MOT that had been carried out.

Turning to Mr V's complaint about the handbrake lever being loose, I haven't seen anything that shows me this was the case, or that it was loose when the car was supplied to Mr V. So, I won't be asking Moneybarn to take any further action on this.

Finally, Mr V has said that the gearbox and battery developed faults during 2025. I've seen an invoice dated 16 December 2025 for a replacement gear box. This shows a mileage of 103,136 miles – 12,349 miles since the car was supplied to Mr V some 9-months earlier. Had the gearbox been faulty when the car was supplied to Mr V, I think it would've shown up on the health check that took place in April 2025, and it would've failed sooner – it's unlikely that Mr V would've been able to drive over 12,000 miles in 9-months with a faulty gearbox.

What's more, the lifespan of a gearbox on the make and model of car supplied to Mr V is 70,000 to 100,000 miles, and the invoice makes no comment about the gearbox failing prematurely, or that it was faulty (or faults were developing) when the car was supplied to Mr V. As such, I'm satisfied the gearbox failed due to normal in-service wear and tear, and not because the car was of an unsatisfactory quality when it was supplied.

While I haven't specifically seen anything relating to the battery, this again requires replacement during the lifetime of the car, so there's nothing to indicate the need for any replacement is for any reason other than normal wear and tear and maintenance.

In his comments on the investigator's view, Mr V also said that he will supply a letter from a main dealership *"giving their professional opinion on whether any of the faults could reasonably be assumed to be existing at the point of purchase or whether ... they could of developed within 100 odd miles."* However, nothing has been supplied.

Therefore, and while I appreciate this will come as a disappointment to Mr V, for the reasons given I'm satisfied the car supplied to Mr V was of a satisfactory quality. And I won't be asking Moneybarn to take any further action.

My final decision

For the reasons explained, I don't uphold Mr V's complaint about Moneybarn No.1 Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 19 February 2026.

Andrew Burford
Ombudsman