

The complaint

Mr A has complained about the quality of a car provided on finance by Moneybarn No.1 Limited.

What happened

Both parties are familiar with the events, so I'll briefly summarise them here. Moneybarn supplied Mr A with a used car on a conditional sale agreement in October 2024. The cash price of the car was around £8,700 and it had covered around 106,600 miles since first registration in July 2015. The conditional sale agreement required payments of around £250 for 59 months.

In March 2025 Mr A complained to Moneybarn that he'd been supplied a car that wasn't of satisfactory quality. He explained that there were multiple issues which included an oil leak, a timing chain issue and the car pulling to the left. The mileage at this point was around 112,000.

Moneybarn acknowledged that the selling dealer provided funds to repair an oil leak. But it requested further diagnostic evidence and provided £50 to cover the cost of the report. Mr A complained again in June 2025 and Moneybarn said that the diagnostics didn't link to earlier repairs, and it couldn't be assumed the faults were present when the car was supplied. It asked Mr A to supply some independent evidence but declined to do anything to resolve the complaint.

Mr A referred his complaint to our service and an investigator here looked at the complaint. He said that there wasn't sufficient evidence that there was a fault which made the car of unsatisfactory quality. He didn't recommend that Moneybarn needed to do anything.

Mr A disagreed and in summary he said:

- The selling dealer partially funded the repair, but he'd paid the remaining amount.
- He'd continued making his payments while the car had serious faults and was not usable.
- He'd sent multiple health checks and diagnostics to Moneybarn and later learned that it needed a full diagnostic which he then arranged himself despite working full time and relying on the car for a 40-mile commute
- He understood about wear and tear, but this clearly showed the car was not in satisfactory condition when it was supplied
- The repeated faults, long delays and lack of clear help made it impossible to resolve the matter

Mr A asked for the complaint to be reviewed by an ombudsman, so it's been passed to me.

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.

When considering what is, in my opinion, fair and reasonable, I must take into account relevant law and regulations; regulator's rules including Consumer Duty, guidance and standards; codes of practice; and what I believe to have been good industry practice at the relevant time.

I've read and considered the evidence submitted by both parties, but I'll focus my comments on what I think is relevant. If I don't comment on a specific point, it isn't because I haven't considered it, but because I don't think I need to comment in order to reach what I think is the right outcome. This is not intended as a discourtesy but reflects the informal nature of this service in resolving disputes.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Firstly, I am very sorry to hear about the difficulties Mr A has described to this service. I can't imagine how he must feel but thank him for bringing his complaint. I need to clarify that I'm only looking into a complaint about Moneybarn, rather than the other parties that might have been involved here.

The agreement in this case is a regulated consumer credit agreement. As such, 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 their quality.

The Consumer Rights Act 2015 (CRA) is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory."

The CRA says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. In a case involving a car, the other relevant circumstances might include things like the age and mileage at the time of supply and the car's history.

The CRA says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

When Mr A acquired the car in October 2024 the mileage was around 106,600 and the cash price was around £8,700. The car was first registered in July 2015, so by this stage it was nine years old. It wouldn't be unreasonable to expect the car to be showing some signs of wear and tear, and that might include the underlying components. There would be very different expectations of it than if it was a brand-new car. The price paid usually reflects the age and condition of the car.

As a starting point there would need to be some evidence of what the fault was. And secondly, that the fault renders the car of unsatisfactory quality.

Mr A says that he discussed the initial faults with the selling dealer, and as it was too far away, he opted to take the car to a local garage. He reached an agreement with the selling dealer that it would contribute £335 towards repairing an oil leak. But he said that he had to pay for the rest of the repairs which left him out of pocket for around £900.

I can understand Mr A is disappointed the car had such problems, that weren't cheap or easy to rectify. He'd had the car for around four months before he told Moneybarn about the repairs that he'd paid for. But what I have to bear in mind is that just because I've seen there were faults with the car that manifested within the first four months, this doesn't necessarily mean the car wasn't of satisfactory quality when it was supplied to Mr A – which is what I need to decide. I'd need to see sufficient evidence the fault made the car of unsatisfactory quality when it was supplied to Mr A.

When something goes wrong with a car it isn't automatically something that the finance provider is responsible for. Sometimes the underlying components of a car suffer wear and tear which might mean that they come to the end of their serviceable lifespan during the course of a finance agreement.

Although Moneybarn were the supplier of the car under the agreement, it was not aware that Mr A was experiencing any issues until he contacted it in March 2025. Moneybarn is not responsible for the actions of the selling dealer in this case, or how the broker dealt with him when he contacted it. Considering the description of the faults, the time that had elapsed since supply, and the mileage covered while the car was in Mr A's possession, I don't think it was unreasonable for Moneybarn to expect to see more evidence that there was a fault which made the car of unsatisfactory quality.

The issues he experienced could be due to damage sustained during Mr A's possession of the car, or reasonably expected wear and tear, or even a failed repair, which wouldn't be Moneybarn's responsibility. Or it could point to a defect that was present at the point of supply. We don't now have any way of establishing what was wrong which meant it needed those repairs.

I've not seen sufficient evidence to clearly say those faults made the car not of satisfactory quality. I've considered Mr A's testimony, the invoices, and diagnostics but I haven't seen anything else such as an independent report. The diagnostics are unfortunately inconclusive, as they don't give an opinion on what caused the issues and some indicate that the problems might relate to expected wear and tear. I also have to take into account that I don't have any information about the servicing history of the car or how Mr A maintained it. I have to take into account the mileage that the car covered while it was in his possession. The mileage when the first repairs were carried out was around 110,000, but by June 2025 the mileage was around 114,000, which meant Mr A had been able to cover around 7,000 miles since the car was supplied. I don't think the car would have been able to do that if it wasn't of satisfactory quality when it was supplied.

I'm not saying something definitely didn't go wrong, merely that I don't think it would have been unreasonable for Moneybarn to have expected there to be more detailed supporting evidence for the faults and confirming that they were present or developing at the point of supply, or that the car wasn't sufficiently durable. It would be impossible for me to say now, even on the balance of probabilities, that there was an inherent fault or that the car wasn't sufficiently durable.

During its investigation I can see that Moneybarn tried to make enquiries of all the parties that had been involved. It did take into account information provided by the broker, but it wasn't able to interrogate this or force it to provide more. Moneybarn isn't responsible for the broker's actions after the agreement was entered into. I need to explain that our service is also reliant on the evidence put before us, we can't compel witnesses or marshal evidence in the same way a court can.

Mr A explained the repairs he'd had done to Moneybarn after three months of having been supplied with the car. So, at that point, it's possible that Mr A could have demonstrated the

car wasn't conforming to the contract he'd entered at the point of supply. But Mr A didn't contact Moneybarn until March 2025 and by then it had lost the opportunity to prove otherwise. Ordinarily, Moneybarn could have arranged for an independent inspection of the car to take place, to help determine when the faults may have arisen and establish liability. But by having the car repaired before notifying Moneybarn of his concerns, Mr A has deprived it of the opportunity to have the car inspected with some of the faults present. I also appreciate that Mr A might not have been fully aware of his rights, and he may have been dealing with the selling dealer, but that doesn't mean I can direct Moneybarn to do something when it wasn't aware of the issues he was experiencing.

I appreciate Mr A is unhappy he feels he's lost out. I'm sorry to disappoint Mr A, but without sufficient evidence of faults which made the car of unsatisfactory quality, I find I don't have the grounds to direct Moneybarn to do anything to resolve this complaint.

Mr A doesn't need to accept my decision, and he'll be free to pursue the complaint by other means, such as through the court, after obtaining legal advice, as necessary.

Mr A has also indicated that he's stopped paying towards the agreement. I'd encourage him to seek independent debt advice if he's in financial difficulties. And I'd remind Moneybarn to treat him with forbearance and due consideration.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 March 2026.

Caroline Kirby
Ombudsman