

## **complaint**

Mr A complains that a car that was supplied to him under a conditional sale agreement with Moneybarn No. 1 Limited wasn't of satisfactory quality, that Moneybarn won't reimburse him for some repair costs and about the car's warranty.

## **background**

A used car was supplied to Mr A under a conditional sale agreement with Moneybarn that he signed in November 2017. The sales invoice shows that the car was five and a half years old and had been driven for 81,600 miles. The car was recovered to the dealer a few days less than six months after it was supplied to Mr A because it wouldn't start. The dealer found a faulty timing chain and solenoid valve, removed the turbo pipe and carried out an oil service. The replacement timing chain kit was covered by the car's warranty but Mr A was charged £330 for the recovery, the oil service and the replacement solenoid valve – and a further £10 for some fuel. The car broke down again in December 2018 and Mr A paid £235 to a different garage for some work on his car in January 2019. He says that further work is required on the car but he can't afford it.

He complained to Moneybarn about the issues with the car but he wasn't satisfied with its response so complained to this service. He's made some late payments to Moneybarn and Mr A has also complained that Moneybarn has repossessed his car and about the interest that he's paying under the agreement.

The investigator recommended that this complaint should be upheld in part. She said that Mr A had incurred costs as a result of faults he had with his car that were found within the first six months – and she didn't think that it would be fair to say that they were normal wear and tear. So she recommended that Moneybarn should reimburse to Mr A the £330 that he'd paid for the faults to be repaired. But she said that the repairs carried out in January 2019 were the result of normal wear and tear so it wouldn't be fair or reasonable for Moneybarn to reimburse those costs. She didn't feel that Moneybarn could be held responsible for the items that Mr A's warranty policy does and doesn't cover. And she didn't believe that Moneybarn had acted unfairly or unreasonably in relation to the interest that it had charged Mr A.

Mr A hasn't responded to the investigator's recommendations but Moneybarn has asked for this complaint to be considered by an ombudsman. It says, in summary, that the May 2018 invoice was over seven months after the inception of the agreement and Mr A hasn't provided any evidence to substantiate that those issues, or the underlying cause, were present at the point of sale. And it says that it shouldn't be liable for paying for the replacement solenoid as it's a serviceable item and it wouldn't be an unexpected cost for a customer acquiring a second-hand car.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Moneybarn, as the supplier of the car, was responsible for ensuring that the car was of satisfactory quality. That will depend on a number of factors, including the age, and mileage of the car and the price that was paid for it. The car that was supplied to Mr A was about five and a half years old, had been driven for 81,600 miles and its price was £7,650. Satisfactory

quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on a number of factors.

The car was supplied to Mr A in November 2017. A few days less than six months later the car was recovered to the dealer because it wouldn't start. The dealer carried out diagnostic testing and found a faulty timing chain, solenoid valve and the turbo pipe was removed. The dealer replaced the timing chain kit under warranty. It also carried out an oil service and replaced a solenoid valve and it charged Mr A £330 for that work (including the recovery and diagnostic testing) – it also charged him £10 for fuel.

Although the car was five and a half years old and had been driven for 81,600, I don't consider that it's reasonable to expect a car that cost £7,650 to breakdown in this way within six months of being supplied to the customer. So I consider that it was more likely than not that the car wasn't of satisfactory quality when it was supplied to Mr A. The timing chain kit was replaced by the dealer under warranty – and I consider it to be more likely than not that the other issues were only identified at that time because of the repair to the timing chain. So I find that it would be fair and reasonable in these circumstances for Moneybarn to pay £330 to Mr A to reimburse him for the costs that he incurred (other than the £10 that he was charged for fuel).

There were further issues with the car in December 2018 and Mr A paid £235 to a different garage in January 2019. But I consider that the work that was done by that garage was the result of normal wear and tear – and I'm not persuaded that the issues were caused as a result of the car not being of satisfactory quality when it was supplied to him. So I don't consider that it would be fair or reasonable for me to require Moneybarn to reimburse any of those costs to Mr A.

The warranty had not covered all of the repairs that have been required on the car. But the warranty was provided by the dealer and not Moneybarn. And I'm not persuaded that there's enough evidence to show that Moneybarn has acted incorrectly in connection with the warranty or that it would be fair or reasonable for me to require it to take any action about the warranty in response to Mr A's complaint.

Mr A has also complained about the interest that he's paying under the agreement. But information about the interest was included in the agreement. And I'm not persuaded that he's provided enough evidence to show that Moneybarn has apportioned his monthly payments between interest and capital incorrectly – or that it's acted incorrectly in connection with his payments in any other way.

Mr A made some late payments to Moneybarn and he's also complained that Moneybarn has repossessed his car. But those issues didn't form part of his original complaint to Moneybarn so I'm unable to consider those issues as part of this complaint. If Mr A wants to complain about those issues, he should first complain to Moneybarn and then, if he's not satisfied with its response, he may be able to complain to this service.

### **my final decision**

For these reasons, my decision is that I uphold Mr A's complaint in part. And I order Moneybarn No. 1 Limited to pay £330 to Mr A to reimburse him for the costs that he incurred in May 2018.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 31 August 2019.

Jarrold Hastings  
**ombudsman**