

complaint

Mrs T complains that a car she bought with finance from Moneybarn Limited did not come with the service history that was advertised and had a number of faults.

background

Mrs T bought a car in July 2015. In December 2015 she complained that the engine fault light had come on and she had never received the service history that was advertised. Moneybarn found that the car dealership was no longer trading and acknowledged Mrs T should have received a service history. It offered her £100 for this, plus a further £300 to reflect the reduced value of the car which, it said, Mrs T could take as a Partial Early Settlement (PES) on the finance if she preferred. At the time, a PES would have resulted in an additional rebate of £282.72 due to reduced interest payments. However, it said it was not clear what faults the car had and whether they were present at the point of sale. It suggested Mrs T took the car for diagnostic testing.

Mrs T says she spent over £600 on diagnostic testing and repairs and wanted Moneybarn to reimburse these costs too. Moneybarn responded to say that the invoice suggested the items were wear and tear issues and, therefore, it was not prepared to pay for repairs, especially given the car had done 12,000 miles since it was purchased.

Our adjudicator found Moneybarn's offer to be fair and reasonable as she couldn't say the car's faults were present at the point of sale.

Mrs T responded to say, in summary, that it took too long to tell her there was no service history and that the offer wasn't high enough given the car hadn't worked for a month and she'd spent over £600 on repairs.

my findings

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

I have seen the advert for the car and I'm satisfied it shows the car had a service history. As Mrs T did not receive this, and Moneybarn now says it is not possible to provide one, I consider Mrs T should be compensated for this. I accept it took a while to tell Mrs T there was no service history, however, I find the offer already made by Moneybarn, in all the circumstances, to be fair and reasonable.

With regard to the fault diagnosis and repairs, I need to consider whether it is reasonable for Moneybarn to reimburse Mrs T for any of those costs. Mrs T first complained to Moneybarn about problems with the car almost six months after she bought it. As she had driven 4,000 miles in that time, I don't find it was unreasonable for Moneybarn to question whether the problems were present at the point of sale. I have seen the invoices for the diagnostic testing and repairs and I cannot conclude Moneybarn was wrong to say the items were due to wear and tear. Indeed, as Mrs T has since driven a further 8,000 miles, and the car is due a service every 12,500 miles, I find the service-related costs would have been incurred anyway.

In summary, I find the car was fit for purpose and I am not satisfied that any of the subsequent problems were present at the point of sale.

my final decision

My decision is that Moneybarn Limited should pay Mrs T £100 because of the missing service history and pay her £300 compensation for the effect on the value of the car, as it has offered to do. The £300 can either be transferred directly to Mrs T or be taken as a partial early settlement (for which an additional rebate will be calculated based on the settlement date).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 28 July 2016.

Amanda Williams
ombudsman