complaint

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

background

In June 2018, Mr B was supplied with a used car through a conditional sale agreement with Moneybarn. The agreement was for £7,669 over 60 months, with monthly repayments of £258.04. At the time, the car was more than six years old and had done 99,081 miles.

The car broke down in March 2019. And at the time it'd done 107,931 miles. Mr B was told the gearbox needed repair and the clutch needed replacing. He was also told there were bolts missing from the transfer unit. Mr B had the car repaired, which cost almost £2,150. He complained to Moneybarn, asking them to reimburse him for the cost of the repairs. But Moneybarn didn't agree they were liable for the repairs, so Mr B brought his complaint to us.

Our adjudicator said, because the issues with the gearbox and clutch happened more than six months after Mr B was supplied with the car, the Consumer Rights Act 2015 (CRA) said it was his responsibility to prove the faults were present when the car was supplied. And Mr B hadn't provided anything to show this was the case.

The adjudicator said the gearbox and clutch were wear and tear items and, given the high mileage the car had travelled, it was reasonable to think they'd need repair/replacement. And, because the car had done 8,850 miles since it was supplied, she thought that any faults present at the time of supply would've become apparent sooner.

She also said she seen nothing to show her that the missing bolts had caused the gearbox and clutch issues, so she thought these issues were as a result of general wear and tear. Because of this, she didn't think Moneybarn needed to do anything.

Mr B didn't agree with the adjudicator. He didn't think it could be wear and tear if the bolts had come undone. He also felt he'd been blamed for buying a car with high mileage and he said "when I was on the phone to money barn they said if it was a fault with the car they would pay for it." He's asked for an ombudsman to make a final decision.

my findings

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

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 B was supplied with a car under a conditional sale agreement. This is a regulated consumer credit agreement which means we're able to look into complaints about it.

The 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 what a reasonable person would consider satisfactory given the price, description 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 says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied. But, if the fault is identified after the first six months, then it's for Mr B to prove the fault was present when the car was supplied. So, if I thought the car was faulty when Mr B 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.

When Mr B took possession of the car on 14 June 2018, it was more than six years old and had done 99,081 miles. I'd expect to see wear and tear in a vehicle of that age and mileage. So I think any reasonable person would expect major components to need replacing much sooner than with a lower mileage car, and for there to be costs associated with this.

It's not disputed that the car broke down some nine months after Mr B took possession of it, or that the gearbox needed repair and the clutch needed replacement. But, because this happened more than six months after he was supplied with the car, it's for Mr B to prove that these faults existed (or were developing) when the car was supplied.

Mr B feels he's being blamed for buying a high mileage car, which isn't the case. But, given the car's mileage, as I've said I think it's reasonable to expect to have to repair or replace major components (such as the gearbox and clutch) sooner than you would've needed to do in a lower mileage car.

If Mr B had done a limited mileage since taking possession of the car, I might've thought it possible that the issues were there when the car was supplied. But he'd done almost 9,000 miles before the gearbox and clutch failed. So, without any other evidence, I think it's more likely than not that this was simply a wear and tear issue. And Mr B hasn't been able to provide anything, such as a report from the garage who did the repairs, to say that these issues were present when the car was supplied.

The garage had said there were bolts missing from the transfer unit. And it's possible that these bolts were missing when the car was supplied. But missing bolts could only make the car of an unsatisfactory quality if they'd caused problems. Mr B believes the missing bolts caused the gearbox and clutch to fail. But he hasn't provided anything to show that was the case. And the invoice from the garage who carried out the repairs notes the missing bolts as an advisory; not linked to, or the cause of, the gearbox and clutch issues, or any other issues.

So, without any evidence to link them, I can't agree that the missing bolts were the cause of the gearbox and clutch issues. Based on what I've seen, I think this was more likely than not a wear and tear issue based on the mileage the car had done at the time of the March 2019 breakdown.

Mr B has also said that Moneybarn told him if it was a fault with the car, they'd pay for it. I've seen Moneybarn's system notes, and I've not seen anything to show me that Moneybarn told Mr B they'd definitely reimburse him for the gearbox and clutch repair costs. And, while Moneybarn are responsible for faults present or developing when the car was supplied, for the reasons given, I'm satisfied this wasn't the case with Mr B's car.

Because of this, considering all the relevant circumstances, I'm satisfied Mr B's car was of a satisfactory quality when supplied, So I don't think Moneybarn are responsible for the costs of repairing Mr B's car; nor do I think they should take the car back and unwind the finance agreement.

Ref: DRN1681166

my final decision

For the reasons explained above I don't uphold Mr B's complaint against Moneybarn No. 1 Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 January 2021.

Andrew Burford ombudsman