

## **complaint**

Mr N complains that Moneybarn Limited is unfairly pursuing him for a loss when it sold his car at auction without giving him the opportunity to repair any defects first.

## **background**

Mr N voluntarily ended his car finance agreement half way through its term.

Moneybarn later said Mr N owed it around £1,200 for loss of value, due to the condition of the car when he'd returned it.

Mr N complained to Moneybarn. And, being unhappy with its response, he complained to this service.

Our investigator thought Mr N's complaint shouldn't be upheld.

Mr N disagreed with the investigator's conclusions, so the matter's been referred to me 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.

I've decided not to uphold Mr N's complaint and I'll explain why.

Mr N says Moneybarn sent him a report of the car's damage which doesn't match up with the inspection report he was given when it was collected from him. He says he's now being told the car's covered in deep scratches and dents and has soiled seats. But he says the photos he's provided show the car doesn't have any more than fair wear and tear. And he says the seats aren't soiled at all.

Mr N also says Moneybarn should've given him the option to rectify any damage, if there was any.

So, Mr N says he wants Moneybarn to drop its demand for him to pay it any more money for the car he returned to it.

Moneybarn says Mr N's agreement makes clear he's responsible for any loss or damage to the car, except fair wear and tear. It says an inspection of Mr N's car after he returned it details the damage considered to be outside of fair wear and tear. And it says the repairs would've cost £1,180.30. But it says it decided to sell the car at auction without repairing it. And it says the estimated cost of repairs required to bring the car up to standard and its eventual sale price almost directly correlate.

So, Moneybarn says it believes the loss of value charge has been fairly and correctly applied to Mr N's account.

I see Mr N's finance agreement says he's responsible for any loss or damage to the car, except for any due to fair wear and tear. And I see the estimated cost of repairs was based on a professional report carried out in accordance with motor industry standards. I note Mr N

says the car had no more than fair wear and tear when he ended his agreement. But I think the report I've referred to is clear. And I think Moneybarn's entitled to rely on it.

I also note Mr N thinks he should've been given an opportunity to carry out any repairs considered necessary. And he thinks the car shouldn't have been sold at auction because that would've reduced the sale price. But the information I've seen indicates the repair costs were estimated according to motor industry standards. And it indicates the difference between the price the car was sold for at auction and what it should've been worth in reasonable condition was almost identical to the estimated repair costs.

So, whilst I acknowledge Mr N feels strongly about this matter, for the reasons I've explained, I don't think Moneybarn's done anything wrong. And I can't uphold Mr N's complaint.

### **my final decision**

I don't uphold Mr N's complaint against Moneybarn Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 3 July 2017.

Robert Collinson  
**ombudsman**