

complaint

Mr M complains that a car sold to him by Moneybarn No. 1 Limited ("Moneybarn") under a conditional sale agreement wasn't of satisfactory quality or fit for purpose.

background

In March 2017, Mr M entered into a conditional sale agreement with Moneybarn to buy a used car. The car was then some nine years old and had a recorded mileage of 100,655 miles. Shortly afterwards, he started to have problems with the car. Briefly:

- the ABS light on the dashboard came on. He took the car back to the supplying dealer who fixed the problem;
- the brakes started to fade. He took the car to another garage who replaced the front discs and pads;
- the car broke down at a roundabout. It was recovered by a breakdown organisation and taken to the supplying dealer. It said it was a faulty pump which it replaced under warranty;
- a few weeks later the car started spluttering and losing power. So Mr M had it serviced, and replaced the timing belt which he was told before buying the car had been replaced "recently" (in fact at 61,847 miles); and
- at the end of July smoke started coming out of the exhaust and there was a rattling from the rear of the engine. He was told the turbo charger had failed and he shouldn't drive the car as the engine might seize.

Mr M complained to Moneybarn about the issues he'd had with the car. He also said he was told when he bought it that it had a full service history, which wasn't the case. Moneybarn arranged for the car to be inspected by an independent motor engineer. At this stage the car had covered a further 2,000 miles since Mr M acquired it.

The engineer said further investigation was required to discover exactly what the problem was. But the noise and smoke from the engine, which would have been clearly visible at the time, suggested that the problem wasn't present at the time of sale.

The car also passed an MOT at the time of sale. As an emissions test was part of the MOT, this confirmed his view that the problem wasn't inherent at the time of sale. The engineer concluded that the car was therefore roadworthy and fit for purpose at the time of sale.

Based on this, Moneybarn didn't accept Mr M's complaint. It said the car wasn't inherently faulty at the time of sale. The issues Mr M experienced with brakes and servicing were maintenance issues and to be expected with a used car of this age and mileage. And its investigation of the advert for the car when it was sold didn't suggest Mr M was misled in respect of the service history.

Our investigator didn't recommend that this complaint should be upheld. She said she understood Mr M's frustration, but didn't think Moneybarn had done anything wrong.

Although Mr M had some problems after buying the car, particularly with the front brakes and pump, and had to service the car, she had to take into account the car's age, and the substantial mileage it had covered. So she didn't think it would be fair to ask Moneybarn to pay for these repairs.

When Mr M complained to Moneybarn about what he thought was failure of the turbo charger, it arranged for an independent inspection to be carried out. While this didn't confirm exactly what the problem was, it concluded that it couldn't have been present at the time the car was sold and went through an MOT.

So the investigator didn't think the problem was present when the car was sold. And she didn't think any issues about the service history would have affected Mr M's decision to buy the car.

Mr M responded to say, in summary, that the cash price of the car was some £5,000, and for that money he expected it to last longer than three months. So he didn't think it was of satisfactory quality and Moneybarn should take it back without him having to pay anything more.

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 understand what Mr M says he was told by the supplying dealer about the car's service history at the time he bought the car. However there was nothing in writing, and so I can't be sure exactly what was said by the supplying dealer.

Prior to the turbo charger issue the problems that arose were wear and tear and maintenance matters of a kind that could be expected in a car of this age that had covered over 100,000 miles. By the time the turbo charger problem occurred, four months had passed since Mr M had bought the car, and he had covered 2,000 miles in it.

For the reasons the independent engineer explained, I don't think there was an inherent fault with the turbo charger present at the time of sale. So I can't say the car was of unsatisfactory quality, or unfit for purpose, when it was sold, and I can't fairly require Moneybarn to put the car right or cancel its agreement with Mr M.

I understand that Mr M has stopped making payments under the agreement and arrears have accumulated. He has cancelled the insurance on the car in breach of the terms of the agreement. As a result Moneybarn issued a default notice and was going to repossess the car, but suspended this pending the outcome of this complaint.

I would urge Mr M to get in touch now with Moneybarn and seek to come to an agreement about what remains owing under the agreement and how this should be repaid.

my final decision

My decision is that I don't uphold this complaint, and make no order against Moneybarn No. 1 Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 13 April 2018.

Lennox Towers
ombudsman