

complaint

Mr F isn't happy because he says that a car he acquired under a conditional sale agreement from Moneybarn No. 1 Limited isn't of satisfactory quality.

background

The background to this complaint is set out in my provisional decision. I've attached a copy of my provisional decision and it forms part of my final decision. In summary, Mr F acquired a second hand car when he entered into a conditional sale agreement. He told us there had been lots of problems with the car that he had needed to have fixed. In my provisional decision I explained that I thought Moneybarn needed to pay for some of the repairs but not all of them.

I asked Mr F and Moneybarn to let me know if there was anything further that they wanted to add before I reached a final decision. Moneybarn didn't respond. Mr F said that he was very unhappy with my provisional decision as he feels as if he's been conned when he bought the car. He told us that the sale was very rushed and he didn't have time to do a test drive. Mr F said he noticed on the way home that there was a problem with one of the tyres and that he has to pump them up every few days. He also said that the dealership offered to repair a brake light and that he was assured he wouldn't have to make any repairs to the car. So I now need 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 still think that it's fair for Moneybarn to pay Mr F a total of £236.95 for the repairs to the water pump, idler and tensioner but I'm not going to direct that it pays for any of the other repairs. I've thought about the further points Mr F has made but I don't think that it means Moneybarn needs to make any further payments. I say that because:

- I appreciate that Mr F says that the sale was rushed and that he didn't have time to take the car for a test drive. But it was up to Mr F to decide if he was happy to enter into the agreement having only had a short time to look at the car and not having had the opportunity to take it for a test drive;
- Mr F says that he was told that he wouldn't have to make any repairs to the car and that the dealership did say that they'd fix the brake light for him. He's not provided evidence on that point. For the reasons I explained in my provisional decision, I'm satisfied that there were defects with the water pump, idler and tensioner. However, the evidence I've seen in relation to the other problems doesn't make me think that there were other defects present at the point Mr F entered into the agreement;

- Mr F says he realised that there was a problem with the wheels on the way home. But the health check on the wheels wasn't carried out until some months after Mr F entered into the agreement. And, as I explained in my provisional decision, I wouldn't have expected the car to have passed the MOT or the health check shortly before the sale if all four wheels were severely buckled or defective. So although I think that the wheels showed some signs of wear, I still don't think there's enough evidence for me to conclude that they were defective or broken when Mr F entered into the agreement.

putting things right

I think that Moneybarn needs to put things right by paying Mr F a total of £236.95 for the repairs to the water pump, idler and tensioner. This is based on the invoices that Mr F has provided which indicate that he paid £59.17 for the water pump and that the works cost £177.78.

my final decision

I'm partly upholding Mr F's complaint against Moneybarn No. 1 Limited and it needs to put things right in the way I've explained above. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 4 January 2018.

Anna Wilshaw
ombudsman

my provisional decision

complaint

Mr F isn't happy because he says that a car he acquired under a conditional sale agreement from Moneybarn No. 1 Limited isn't of satisfactory quality.

background

In February 2017 Mr F acquired a second hand car and entered into a hire purchase agreement to pay for it. He says that since he first got the car there have been lots of problems with it that must have been present when he bought it. Moneybarn says that the problems Mr F raised weren't present at the point of sale. It says the evidence suggests that the problems arose as a result of wear and tear after Mr F bought the car.

Mr F has provided invoices to show that he had work carried out in the middle of March, just a few weeks after he'd got the car. The work related to the belt, water pump, tensioner and idle pulley. In August 2017 a vehicle health check was carried out. It was noted that the alloy wheels were buckled, two warning lights were appearing on the dashboard, the exhaust bracket was broken and the front lower left ball joint was worn excessively. Mr F says that more recently there's been a problem with the gear box that he's also had fixed.

Our investigator looked into what happened. His initial thoughts were that there wasn't enough evidence to say Moneybarn should pay for the problems with the tyres, wheels, lamps, exhaust bracket, parking brake and brake pads. But he did think that Moneybarn should put a number of other issues right including the tensioner, idler pulley, water pump, drive belt and ball joint.

Following further representations from both sides our investigator reviewed the complaint again. Mr F mentioned a further problem with the gear box but it had already been repaired. Mr F also told us that all four wheels on the car were buckled and our investigator suggested an independent inspection of the wheels. He also concluded, based on further information provided by Moneybarn, that the auxiliary belt was likely to have needed to be replaced because of wear and tear.

Moneybarn maintained that the problems with Mr F's wheels weren't present when he bought the car and didn't agree to arrange the independent inspection that our investigator suggested. Mr F said that he was happy to draw a line under the complaint if Moneybarn would fix the problem with the wheels. As it wasn't possible to find a solution that both sides were happy with I need to make a decision about what is fair.

my provisional findings

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

When a customer buys a car the finance company should make sure that the car is of satisfactory quality. What satisfactory quality is will depend on a number of different factors including the age and mileage of the car. It's not reasonable to expect a car that's several years old and with approximately 75 000 miles on the clock to be like new. But a customer shouldn't expect it to be sold with defects. The issue here is whether Mr F's car was defective or if it was simply showing signs of wear bearing in mind what a reasonable person would expect for a car of this age and mileage.

I'm satisfied there were some defects at the point at which Mr F entered into the agreement which were not as a result of wear and tear and that those defects meant that the car wasn't of satisfactory quality. However, I agree that some of the problems Mr F experienced were caused by wear and tear for the reasons I'll go on to explain.

water pump, tensioner and idle pulley

I'm satisfied that these defects were present at the point of sale. These issues needed to be fixed very soon after Mr F bought the car. The information that Mr F provided states that the work needed was to *"renew customer supplied tensions, idler pulley and drive belt. Once tensioner, idler pulley and belt removed, found that the water pump impeller was broken insure and the water pump required to be replaced. Once authorised, removed water pump and replaced with customer supplied water pump. Replaced idler tensioner, pulley and belt...took vehicle for road test, no further fault apparent"*.

It seems very unlikely to me, based on the information I've seen, that the water pump, tensioner and idle pulley needed replacing based on wear and tear of just a few weeks. I say that particularly because they occurred so soon after Mr F bought the car. It seems more likely to me that they were defects present at the point of sale.

Even though Mr F was buying a second hand car I don't think most reasonable people would expect to have to conduct these repairs within a few weeks of purchase. I say that based on the description of the work carried out which I've outlined above. So I think it's reasonable for Moneybarn to cover the costs of the repairs to the pump, tensioner and idle pulley.

auxiliary belt

The issue with the belt also arose in March 2017 but the evidence about this repair is different. Moneybarn provided evidence that the driver belt is designed to last for between 40,000 and 100,000 miles. Mr F's car had done 74,000 miles by the time he entered into the agreement. And as the belt is a serviceable item it's something that would need to be changed periodically.

So, even though the problem arose quite soon after Mr F bought the car, it seems most likely to me that this issue was as a result of general wear and tear. That's because the belt had been in use for 74,000 miles and so was well within the range that it was designed to last for, according to the evidence I've seen. So I've not seen enough evidence to make me think it was defective at the point Mr F entered into the agreement.

the ball joint

The ball joint is something that will also wear out over time. It appears that Mr F had driven around a further 4,000 miles between entering into the agreement and identifying this fault. I can't know if it was defective when Mr F got the car. So I need to decide what's most likely to have happened.

The car had already travelled 74,000 miles before Mr F bought the car and this will have caused some wear on the ball joints. But if it was excessive I think it's likely that the problem would have become evident before Mr F drove a further 4,000 miles. I also think that the MOT and health checks that took place shortly before the sale are likely to have highlighted this issue if the wear was excessive. So I'm not satisfied that this part was defective at the point of sale.

buckled wheels

Mr F has provided evidence from a vehicle health check that was completed in August 2017. The report and recommendations section indicates that the four alloy wheels were buckled. Our investigator suggested that Moneybarn should obtain an independent inspection but it declined to do so.

The MOT history for this car has an advisory notice in February 2016 indicating that the offside front and rear wheels were slightly damaged. But the car passed the MOT and a further health check was carried out before the car was sold. The notice related to two, (not all four) of the wheels.

But I wouldn't expect the car to have passed the MOT or the health check shortly before the sale if all four wheels were severely buckled or defective. So taking into account the evidence I have, although I think that the wheels showed some signs of wear, I don't think there's enough evidence for me to conclude that they were defective or broken when Mr F entered into the agreement.

gear box

Mr F has had the gearbox repaired. So unfortunately it's no longer possible to establish whether the fault with the gearbox would've been present at the point of sale. I appreciate that the health checked completed in August 2017 mentions that more testing is needed. But Mr F, understandably, has had the problem fixed. And based on what's available I've not seen enough evidence to suggest that this problem was a fault that was present at the point of sale rather than wear and tear.

putting things right

I think that Moneybarn needs to put things right by paying Mr F a total of £236.95 for the repairs to the water pump, idler and tensioner. This is based on the invoices that Mr F has provided which indicate that he paid £59.17 for the water pump and that the works cost £177.78.

my provisional decision

I'm intending to partly uphold Mr F's complaint against Moneybarn No. 1 Limited. Mr F and Moneybarn should let me know by 24 November 2017 if there's any further information they'd like me to consider which might make a difference to the outcome of this complaint.

Anna Wilshaw
ombudsman