

The complaint

Mr S complains that the vehicle he acquired from Moneybarn No 1 Limited trading as Moneybarn (“Moneybarn”) was not of satisfactory quality.

What happened

Mr S acquired a vehicle from Moneybarn through a conditional sale agreement in May 2022. He’s told us he had a variety of problems with it in the early months, and had a complaint answered on 3 October 2022 by Moneybarn. That complaint has been subject to a different investigation at our service, so I won’t be commenting on the details or outcome further.

However, Mr S complained again to Moneybarn on 12 October 2022 saying that the timing belt had now snapped.

Moneybarn responded to this complaint in March 2023 and didn’t uphold the complaint. They referred back to an independent report they had carried out in September 2022, shortly before the complaint was raised, as evidence that the problem wasn’t present or developing at the point of sale.

Mr S didn’t agree with this and brought the complaint to our service. An investigator here investigated it and did not uphold it. They said that as they’d seen no supporting evidence about the causes of the fault or details of costs Mr S had described he’d had to pay, they were unable to uphold the complaint.

Mr S didn’t agree and asked for an Ombudsman to make a final decision.

What I’ve decided – and why

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

Having done so, I’ve reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I’ve reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

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 S was supplied with a vehicle under a conditional sale agreement. This is a regulated consumer credit agreement which means we’re able to investigate complaints about it.

The Consumer Rights Act 2015 (‘CRA’) says, amongst other things, that the vehicle 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 things such as what

a reasonable person would consider satisfactory given the price, description, and 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 and its durability. Durability means that the components of the vehicle must last a reasonable amount of time.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the vehicle was supplied, unless Moneybarn can show otherwise. But, where a fault is identified after the first six months, the CRA implies that it's for Mr S to show it was present when the vehicle was supplied.

So, if I thought the vehicle was faulty when Mr S took possession of it, or that the vehicle wasn't sufficiently durable, and this made the vehicle not of a satisfactory quality, it'd be fair and reasonable to ask Moneybarn to put this right.

Moneybarn have relied on the independent engineer's report they had carried out in September 2022, to say that any fault wasn't present or developing at the point of sale. This report was carried out around four months after Mr S acquired the vehicle and was carried out before this subsequent problem where Mr S has told us the timing belt snapped.

I'm satisfied that this report confirms that the vehicle wasn't supplied with a broken or obviously faulty timing belt. The engineer has confirmed that the mileage at that point was around 93,000 miles, confirming that the vehicle had covered around 5,000 miles in the four months after Mr S had acquired it. Mr S would not have been able to cover these miles if the timing belt had already been faulty/broken when the vehicle was supplied to him.

The report also confirmed that there were some other issues at that point, which Mr S told us had been developing since June 2022. These were the subject of Mr S's previous complaint so I'm not considering them further here.

I have then moved on to consider durability; that is, was the vehicle and its components reasonably durable when supplied. To decide this, I need to look at the fault which has occurred, a snapped timing belt, and think about the lifespan of a timing belt, and whether it has failed prematurely.

So, I've considered what the lifespan of a timing belt is for this type of vehicle. Whilst there is no hard and fast rule for this, the manufacturer has suggested changing it around every 10 years or 120,000km/72,000 miles, whichever comes first. Other sources would suggest a timing belt could last slightly longer, perhaps up to 100,000 miles, or might recommend changing it sooner at closer to 50,000 – 60,000 miles. So, whilst the vehicle was only five years old when supplied, it had already covered more mileage than the manufacturer recommends before changing the timing belt.

I've seen no evidence to say that the timing belt had been previously changed. The investigator asked Mr S to provide any more supporting evidence that he wanted us to consider before sending the case for my final decision, but the evidence provided related to the previous complaint and issues, not to this issue with the timing belt.

Mr S has also raised concerns about the fact that he believed that the vehicle was supplied with 12 months MOT, but it turned out to be less. Firstly, I'm not persuaded that issue have had any impact here. An MOT wouldn't necessarily pick up an issue with a timing belt approaching its end of life. Unfortunately, changing the timing belt before it suffers a problem or snaps falls into the general maintenance that should be carried out on a vehicle when it

reaches the relevant age or mileage. I've also seen no evidence that the vehicle was sold as having 12 months MOT so I'm not upholding this concern.

Mr S has said that if the vehicle was of an age where it was going to suffer age related wear and tear issues, then Moneybarn shouldn't have provided credit for the vehicle. But I can't agree with this. Owning a vehicle that's older or has higher mileage can work well for many consumers. Unfortunately, here, parts have started to reach the end of their natural life span fairly soon after Mr S has acquired the vehicle. But it falls upon Mr S to inspect the vehicle to ensure he's happy with the condition of it, and to make himself aware of when parts might need replacing proactively. It isn't Moneybarn's responsibility to replace components of a used vehicle proactively before selling it.

I have empathy with Mr S, who has suffered issues with the vehicle within the first six months of acquiring it. I'm aware of the stress the situation has caused Mr S. That said, in making a decision on his complaint, I have to take into account consumer rights legislation, and assess the complaint against it, to be fair to both parties.

In this instance, I'm not persuaded that the issue with the timing belt failing after around five months makes the vehicle of unsatisfactory quality when it was supplied. It had covered over 93,000 miles at the point it failed, including 5,000 miles since Mr S acquired the vehicle. The timing belt was due to be changed when it failed and snapped. Unfortunately, when a timing belt snaps, it can cause knock on damage to the engine.

A timing belt can need replacing due to wear and tear, and in this instance, I'm persuaded that its most likely that it had reached the end of its natural lifespan and failed. Because of this, I can't agree that this makes the vehicle of unsatisfactory quality when it was supplied. Mr S acquired a vehicle that had already covered around 88,000 miles, and as such, it is reasonable to expect more parts to reach the end of their life more quickly than would have been the case with a newer vehicle that had covered lower mileage.

As I've said, I was sorry to hear about the stress the situation has put on Mr S. However, I'm not persuaded that the issues he suffered here with the timing belt make the vehicle of unsatisfactory quality. The timing belt has suffered normal wear and tear and reached the end of its normal lifespan. As such, I won't be asking Moneybarn to do any more here.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 April 2024.

Paul Cronin
Ombudsman