

## **The complaint**

Mr K complains about the quality of a car supplied to him by Close Brothers Limited trading as Close Brothers Motor Finance ("Close Brothers").

## **What happened**

Mr K acquired a used car under a 48-month conditional sale agreement with Close Brothers in July 2022. The car was around six years old and the cash price of the car was £10,990. Mr K paid a deposit of around £2,000 towards the agreement. So the total amount of credit was £8,990. Under the agreement, Mr K was required to make 48 monthly payments of £254.90. The total amount payable under the agreement was £14,235.20, including the deposit. The car was supplied from a dealership I'll refer to as "D". At the time the car was supplied to Mr K, the mileage was listed as 122,955.

In October 2022, Mr K said the interior blower fan of the car stopped working. Mr K said the repair cost £480. In November 2022, Mr K said the engine starter stopped functioning and a repair cost him £600.

In December 2022, Mr K said whilst driving the car abroad, the car broke down on the motor way. So he used a breakdown service and the car was towed to a garage. He said the garage told him the turbo had broken down. So in January 2023, Mr K said he contacted D, but the sales representative who helped him with the car, had left the company. Mr K said he paid £2,370 for the turbo repair and then in March 2023, the car broke down once again. Mr K said he contacted a breakdown company who towed the car to a garage and in June 2023, the car broke down again whilst he was driving it abroad. A month later it was transported back to the UK and Mr K was quoted £7,140 for repairs. Mr K said he couldn't afford this, so he complained to Close Brothers.

Close Brothers issued its final response to Mr K in September 2023. It said it had requested Mr K provide it with evidence to show the fault with the timing chain was present or developing at the point of supply. But as Mr K hadn't done this, it couldn't progress its investigation. It said Mr K had also asked for reimbursement for work already carried out but the invoice was in a different language, the repairs weren't authorised and Mr K hadn't contacted Close Brothers right away to investigate the issues. So, it said it wouldn't cover any previous cost of repairs.

Mr K disagreed and said he wanted to reject the car as, at the time it was supplied, he was told it was in a good condition, it had a service history, it was fault free and it was suitably durable. He said he wanted a refund of the purchase price, repairs and the cost of the replacement fan totalling £13,840.09.

Close Brothers reviewed Mr K's submissions but redirected him to the final response it issued in September 2023.

Unhappy, Mr K referred a complaint to this service. He said he had sent Close Brothers translated documents showing his expenditure abroad but he couldn't translate the price into English. He said he had paid his monthly payments for the car since it broke down in June 2023. Mr K said to put things right, he wanted to return the car and be refunded for all his time, money and the amounts he had spent to pay a lawyer.

Our investigator looked into the complaint and said that whilst the car had faults, he was satisfied that car supplied to Mr K was of satisfactory quality. He said the issues with the

blower fan, starter motor and turbo were down to wear and tear. He also said that when the timing chain was repaired, there was no reason supplied to confirm why the timing chain snapped. He said as Mr K had been able to travel around 15,000 miles in the car since it was acquired, he also thought the timing chain fault was due to wear and tear.

Mr K disagreed. He said the issue with the turbo should have been covered by the warranty but it wasn't due to the sales representative no longer working for D. He said the service carried out by D wasn't real because the prices of the front discs in their invoice confirm these were £40 each, but they don't cost that. He said there was no full-service history of the car at the time it was sold to him and he wasn't told the truth about this. Mr K said the manufacturer states the timing chain should be replaced after 90,000/100,000 miles and should be monitored from 60,000 to 100,000 miles of use. He said D didn't change the timing chain despite telling him it had. He said this service could hire an independent company to check the state of the timing chain.

Our investigator reviewed Mr K's complaint. He said there was no reason to question the authenticity of D's service invoice and Mr K didn't question this when he was provided it at the time he acquired the car. He said Mr K had an opportunity to obtain the service history at the point the car was supplied to him, but he didn't do this. And that there was no evidence to show the timing chain hadn't been replaced. He also said a manufacturer represented garage carried out a service in February 2023 and Mr K had been able to travel a further around 5,500 miles in the car after this before the timing chain failed. He said if there was an issue with the timing chain at the time, it's more likely than not that the manufacturer represented garage would have recommended it was changed at that time. He also said it wasn't the role of this service to instruct an independent company, but either party could provide evidence.

Mr K disagreed. He said our investigator should consider the breakdown he had abroad in December 2022, whilst the car was still under warranty. He reiterated his complaint and said he wasn't a mechanic but he trusted the dealer.

As Mr K remains in disagreement, the case has been passed to me to decide.

### **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.

It may help for me to explain that I will reach my decision on the balance of probabilities. Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I must reach my conclusion based on what I consider is most likely to have happened in light of the evidence that is available as well as the wider circumstances.

I've read and considered the whole file and acknowledge that Mr K has raised a number of different complaint points. I've concentrated on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it – but because I don't think I need to comment on it in order to reach what I think is the right outcome. The rules of this service allow me to do this.

What I need to decide in this case is whether the car supplied to Mr K was of satisfactory quality. If I don't think it was, I'll need to think what's fair, if anything, to put things right.

The finance agreement in this case is a regulated hire purchase agreement. So our service is able to consider complaints relating to it. Close Brothers is the supplier of the car under this type of agreement and so is responsible for dealing with a complaint about its quality.

The Consumer Rights Act 2015 ("CRA") covers hire purchase agreements. Under a hire purchase agreement, there are implied conditions that the goods supplied will be of satisfactory quality.

In this case, Mr K has provided supporting information to show the car had an issue with its blower fan three months after it was supplied, an issue with the starter motor four months after supply and that the car broke down five months after it was supplied due to the turbo failing. Following this in June 2023, which is around a year after the car was supplied, it broke down again due to the timing chain snapping.

In light of this, I'm satisfied the car supplied to Mr K has had faults. However, simply because a car has faults doesn't mean that Close Brothers needs to do anything to put things right. What I now need to determine is whether the faults Mr K has reported make the car of unsatisfactory quality.

Mr K acquired a car that was used – so there would be different expectations compared to a new car. Having said that, the car's condition at the point of supply, should have met the standard a reasonable person would consider satisfactory, taking into account its age, mileage and price. The CRA says the aspects of the quality of the goods includes their general state and condition alongside other things such as their fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

#### *Blower fan, starter motor and turbo*

Mr K has provided an invoice dated October 2022 which confirms he paid £480 for an interior blower fan for the car. A further invoice has been provided from November 2022, which confirms that Mr K paid £600 for a starter motor. Both invoices don't list the mileage at the time of these purchases.

I've seen copies of letters from the breakdown company in December 2022. These confirm that the car broke down abroad and it was towed to a garage abroad. The reported mileage was 128,000. This means Mr K had been able to travel around 5,045 miles in the car since he acquired it. There is an invoice from the garage which states that a payment of €2,746.55 was made for a replacement turbo and some other things which include an oil filter and an air filter.

Neither of the three invoices confirm why the interior blower fan, starter motor or turbo needed replacing or repair.

In light of this, given all three of these items are serviceable items and considering the mileage of the car at the time it was supplied to Mr K as well as the mileage he was able to travel in the car, I'm not persuaded that the faults with either of these three items meant the car supplied to Mr K was of unsatisfactory quality.

#### *Timing chain*

The breakdown company has confirmed that the car broke down abroad in June 2023. The car was transported to the UK in July 2023 and was taken to a garage. The garage estimated a new timing chain kit, head skim, thermostat, rocker cover gasket, water pump, reconditioned cylinder, oil pump and oil and oil filter were required. The total amount for the repair work required was quoted at £7,140. The mileage listed on the repair quote is 137,396. This means that since the car was supplied to Mr K, he had been able to travel 14,441 miles in the eleven months or so that he had possession of the car.

No further supporting information, such as an independent report, has been supplied to confirm why the timing chain snapped.

Mr K says the car should have had a timing chain replaced between 90,000-100,000 miles. However, the information he has supplied from a garage online, states that, *"it's important to monitor the condition of the timing chain guides, particularly after 60,000 to 100,000 miles."* Another online snippet that Mr K has provided states, *"It is recommended to replace your timing chain before failure...From experience the life of these timing chains are 90,000 miles of 9 years."* These snippets don't confirm when the timing chain needs to be replaced,

whether it was previously replaced by a previous owner and importantly, these snippets do not originate from the manufacturer of the car. Instead, they opinions of dealers online.

Mr K states that when he obtained the car, he was told the car had a full-service history. However, a historic advert from around the time the car was supplied to Mr K doesn't state this and I would have reasonably expected Mr K to obtain this from D, prior to him taking the car away. Mr K may have also been able to obtain this information from the manufacturer directly. However, no service history has been provided to this service.

I note that an MOT was carried out in early February 2023 listing the mileage at 131,326 miles with no advisories and following this, a service was carried out later that month at a manufacturer represented garage with the mileage recorded as 131,925. The service data, from the manufacturer represented garage, states that a statutory vehicle inspection needs to be carried out in May 2023. However, it doesn't appear that this took place prior to the car breaking down and the timing chain snapping. In addition, the manufacturer represented garage didn't suggest that the car needed its timing chain repaired or replaced when it carried out a service. As a manufacturer represented garage, I think that it would have likely been best placed to advise Mr K whether the timing chain was wearing and near the end of its life. However, the records available don't show that it made any such suggestion.

Having carefully considered all this, in the absence of any information confirming why the timing chain snapped, I'm not persuaded the car supplied to Mr K was of unsatisfactory quality.

I say this because Mr K obtained a car that was five years old and had already covered in excess of 120,000 miles. The cost of the car was around £10,990, but if Mr K had obtained it brand new, it would have cost him substantially more. So, Mr K paid substantially less for the car given it was a used car. Mr K was able to travel around a further 15,000 miles in the car within around 11 months of being supplied with the car. If the issue with the timing chain had been present or developing at the point the car was supplied to Mr K, I'm not persuaded that Mr K would have likely been able to travel 15,000 miles in the car in that time period. Instead, I think it's more likely than not, that the deterioration of the timing chain was down to age related wear and tear. And I think that this is likely to have deteriorated over the time Mr K was in possession of the car. I also don't think it's unreasonable that a timing chain may fail at around 137,396 miles.

It follows that I'm not asking Close Brothers to take any action to put things right.

### **My final decision**

My final decision is that I do not uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 20 March 2025.

Sonia Ahmed

**Ombudsman**