

The complaint

Mr H complains that the vehicle supplied to him by Close Brothers Limited ("Close Brothers") was faulty, which has resulted in excessive oil consumption.

What happened

In November 2023, Mr H was supplied with a used car through a conditional sale agreement with Close Brothers Limited. He paid an advance payment of £3,000 and the agreement was for £15,747 over 60 months; with 60 monthly payments of £262.45. At the time of supply, the car was almost seven years old and had done 80,040 miles.

In January 2024, Mr H noticed that the oil usage of the car seemed excessive. He monitored this regularly, and contacted the dealership from whom he had purchased the vehicle. The dealership inspected the vehicle and advised they could not find an oil leak. Mr H continued to experience an excessive level of oil consumption and on 11 June 2024, he complained to Close Brothers. Mr H complained that the vehicle was burning oil which he believed to be a fault. He provided a garage report which stated that they had completed an oil consumption test and in their opinion they believed the vehicle was using the correct amount of oil for a vehicle of this age and mileage. Due to the time taken to investigate the fault, Close Brothers refunded one instalment of payments to Mr H however they did not uphold his complaint.

Mr H was dissatisfied with this outcome and referred his complaint to this service. In November 2024, our investigator issued her view. Having completed an investigation, she concluded that there was no evidence that the vehicle was not of satisfactory quality when considering its age and mileage at the time Mr H took possession of it, and that the excessive oil consumption was more than likely due to age related wear and tear. She agreed with Close Brothers' decision not to uphold the complaint.

Mr H did not accept this. He stated that for the price of the vehicle he had purchased, he would not have expected to experience the issues that he had, and he wished the case to be reviewed by an ombudsman. As a result, the complaint has been referred to me for 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 H was supplied with a car 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 car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Close Brothers 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 car 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 car was supplied, unless Close Brothers can show otherwise. But, where a fault is identified after the first six months, the CRA implies that it's for Mr H to show it was present when the car was supplied.

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

The car Mr H bought was just under seven years old when he bought it, and had mileage of around 80,000 miles. It is reasonable to accept that a car of this age and mileage would be likely to experience issues or need work done to it sooner than if it were a newer vehicle.

It is not in any doubt that the car's oil usage is excessive. Mr H has provided receipts and photographic evidence to show the level of oil being used, along with testimony confirming that the usage is more when driving long distances. It is therefore for me to ascertain whether it is reasonable to conclude that the issues Mr H has experienced are as a result of a fault that was present at the point that Mr H took possession of the car, meaning that it was of unsatisfactory quality.

Mr H states that he started to notice issues with the vehicle using excessing amounts of oil within the first six weeks to two months of ownership. I have considered whether there is evidence indicating that a fault was present at the time the vehicle was supplied and am not convinced that there was.

The age and mileage of the vehicle is particularly relevant here. Over time, a vehicle's components will naturally wear, and expensive repairs are not uncommon at around 100,000 miles. I have considered whether the car had been poorly maintained prior to Mr H taking possession of it, resulting in premature wear and tear (causing excessive oil consumption). The service history provided shows that the vehicle has been well serviced (with the exception of a late service in 2022, which in isolation is unlikely to have caused an issue). I therefore cannot conclude that poor maintenance prior to Mr H purchasing the car was reasonably likely to be the cause of the excessive oil consumption.

In her view, the investigator outlined detail relating to excessive oil consumption, and likely reasons that this can occur.

A common cause of excessive oil consumption is worn piston rings, which are not uncommon at around 100,000 miles of usage, as components within the vehicle naturally wear. Mr H has provided evidence of soot in the exhaust of the vehicle which he believes is evidence of a fault. Excessive oil consumption can lead to soot formation, especially if oil is being burned in the combustion chamber. This can be due to worn piston rings or valve seals. As the car's mileage was in excess of 80,000 miles at the time it was purchased, and was 89,000 miles in October 2024, I think it is reasonable to conclude that the excessive oil

consumption was more likely than not to be linked to wear and tear based on the age and mileage of the car, rather than an inherent fault.

I acknowledge that previous investigations carried out on Mr H's vehicle identified a leak from the gearbox, however as this is not engine oil, it would not affect the engine oil levels as identified by Mr H and is not indicative of a fault causing the excessive oil consumption complained about.

My final decision

For the reasons explained, I don't uphold Mr H's complaint about Close Brothers Limited.

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

Joanne Molloy
Ombudsman