

The complaint

Mr C is unhappy that a car supplied to him under a conditional sale agreement with Close Brothers Limited trading as Close Brothers Motor Finance was of an unsatisfactory quality.

What happened

In May 2023, Mr C was supplied with a used car through a conditional sale agreement with Close Brothers. He paid an advance payment of £1,000 and the agreement was for £9,677 over 60 months; with 59 monthly payments of £235.73 and a final payment of £245.73. At the time of supply, the car was around five and a half years old and had done 37,155 miles (according to the agreement).

In April 2024 the car overheated and was returned to the supplying dealership for repair. The dealership noted the coolant bottle had fractured and one of the cylinders had failed, and they carried out the repairs under warranty. While the engine was stripped for repair, the dealership recommended that the timing chain was replaced. Mr C agreed to this and paid £261.34 for the replacement timing chain and water pump.

The car passed an MOT in May 2024 but, in July 2024, Mr C returned the car to the dealership as it had developed a tapping noise. The dealership found that the new timing chain had stretched, and this was replaced at no cost to Mr C. However, the dealership said that a repair was needed to the hydraulic tappets, which would cost around £700.

Mr C declined the repair and complained to Close Brothers. They didn't uphold his complaint as they said there was no evidence the faults with the car were present or developing when the car was supplied to him. Unhappy with this response, Mr C brought his complaint to the Financial Ombudsman Service for investigation.

Our investigator said that, although there was a fault with the car, they didn't think this was present or developing when the car was supplied to Mr C – he'd been able to drive the car for almost 12-months and more than 11,000 miles before it overheated, and if a fault was present at supply it was likely the car would've failed sooner.

The investigator also said that the timing chain was only replaced as the engine had been stripped down, and it would be more cost effective to replace the part at this time, and not because there was any fault with the existing timing chain. The investigator also thought it was likely that the issue with the tappets was as a result of the replacement timing chain having stretched, and not because of any underlying issue present at the point of supply. So, the investigator didn't think Close Brothers were liable for the faults with the car.

Mr C didn't agree with the investigator's opinion, and he asked for the matter to be passed to an ombudsman 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.

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 C 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. So, if I thought the car was faulty when Mr C 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.

It's not disputed that the car supplied to Mr C has a current fault with the tappets, and he's been quoted around £700 to repair this. The tappets are moving parts in the engine and will wear over time and require replacement. Although they are not directly linked to the timing chain, a worn or stretched timing chain can increase vibration which can exacerbate tappet wear or noise. It's also the case that a loose or worn timing chain can cause a noise that can be mistaken for tappet noise.

Mr C had the timing chain replaced in April 2024, when the car had done around 48,000 miles – much less than the expected lifespan of a timing chain. However, I haven't seen anything to show me that the timing chain was replaced due to a premature failure, and it seems this replacement was as a result of a recommendation while the engine was stripped down – it was easier and cheaper to replace the timing chain at this point than to strip down the engine at a later date to replace the timing chain *at the point it needed replacing*, or to have the timing chain fail when it reached the end of its natural life and cause possible irreparable damage to the engine.

However, the timing chain that was fitted in April 2024 failed prematurely – it's not disputed this stretched and needed replacement. As I've explained above, the failure of this timing chain would likely cause a noise similar to that of tappet failure and could also cause increase vibration in the engine that may accelerate the failure of the tappets.

Turning to the CRA, as explained above, where a failure happens more than six months after supply it's for Mr C to show that the goods weren't of a satisfactory quality when supplied. Mr C was able to drive the car for almost 12-months and more than 11,000 miles before the car overheated and caused a cylinder failure. From what I've seen, it's clear that the overheating was caused by a fractured coolant bottle. And I'm satisfied that, had the

coolant bottle been damaged when the car was supplied to Mr C, it would more likely than not have failed sooner than it did. As such, I'm not satisfied that the car was of an unsatisfactory quality when it was supplied.

What's more, when the overheating was repaired, Mr C agreed to replace a perfectly serviceable timing chain with one that, unfortunately, failed prematurely. And this premature failure most likely resulted in the tappet failure. So, as Mr C chose to replace a part that didn't need replacement, and this went on to cause further issues, I'm again not satisfied that the car was of an unsatisfactory quality when it was supplied.

Finally, I've noted that Mr C hasn't supplied anything, for example a report from an independent engineer, that shows the overheating, timing chain, and/or tappets failed due to an issue that was present or developing when the car was supplied to him. As such, and while I appreciate this will come as a disappointment to Mr C, I'm satisfied the car was of a satisfactory quality when it was supplied to him. So, I won't be asking Close Brothers to do anything more.

My final decision

For the reasons explained, I don't uphold Mr C's complaint about Close Brothers Limited trading as Close Brothers Motor Finance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 August 2025.

Andrew Burford
Ombudsman