

The complaint

Ms D complains that a car acquired with finance from Close Brothers Limited (“Close Brothers”) wasn’t of satisfactory quality.

What happened

In August 2024 Ms D was supplied with a car and entered into a conditional sale agreement with Close Brothers. At the point of supply the car was around eight years old and had covered around 67,000 miles.

Ms D raised a complaint to Close Brothers about the quality of the vehicle in November 2024. She said soon after acquiring the car she was concerned about the brakes juddering, the clutch position, the handbrake adjustment and a banging from the exhaust. The service light was also illuminated and there were some cosmetic issues. Ms D also said amongst other things, the car needed new tyres and because this wasn’t identified during an MOT soon after purchase, she thinks the MOT was flawed. Ms D asked to reject the car.

Close Brothers didn’t uphold the complaint. In short it said based on the independent inspection it had arranged, the report confirmed that the faults present at the time of inspection would not have been present or in development at the point of sale.

Ms D remained unhappy and so referred her complaint to this Service. Our Investigator looked into things but didn’t think the car was of unsatisfactory quality. Based on the information she had, she didn’t think Close Brothers needed to do anything more. Ms D disagreed and reiterated the reasons why she thought the car was of unsatisfactory quality.

As an agreement couldn’t be reached Ms D asked for an Ombudsman to consider the case.

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 and acknowledging how disappointing this will be for Ms D I will not be upholding her complaint.

The conditional sale agreement entered by Ms D is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. Close Brothers is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Ms D entered. Because Close Brothers supplied the car under a conditional sale agreement, there’s an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA also says that the quality of goods includes the general state and condition, and

other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods. Satisfactory quality also covers durability.

Having considered what the CRA sets out about durability, the expectation here is that goods will last for a reasonable amount of time. Ms D acquired a used car that was about eight years old and had travelled around 67,000 miles. I think it is reasonable for a used car of this age and mileage to show signs of wear and tear and this will be reflected in the price of a used car, when compared to how much it would have cost new.

I would expect a second-hand car, such as the one supplied to Ms D to have a degree of wear and tear and to require repairs more than a brand-new car. So, in order to uphold this complaint, I would need to be satisfied that there was a fault with the car at the point of supply, as opposed to a fault which occurred due to general wear and tear.

I've reviewed all the available evidence about the issues which occurred with the car. Based on what I've seen, I'm satisfied that there was a fault with the car. I say this because I've seen a vehicle health check carried out and a report following an independent inspection of the car. Both pieces of evidence point to faults with the car but just because faults have been identified does not mean the car would be considered unsatisfactory quality.

Days after acquiring the car Ms D took the car for an MOT, the MOT passed with no advisories.

Some months later in December 2023 the car underwent a vehicle health check which revealed amongst other things the following issues:

- Corroded front and rear brake pads worn.
- Tyres require immediate attention as well as a wheel buckled.
- Stop/Start function not working.
- All wiper blades are smearing and require replacement.
- An oil leak requires further cleaning for diagnostic.

At this point the car had completed around 74,000 miles, an additional 7,000 since Ms D acquired the car. I'm satisfied there is an issue with the tyres as well as the brakes. This is because the health check has revealed that these parts need replacing. However, both brake pads and tyres are serviceable components of the car, and I don't think it's unreasonable to expect that a second-hand car such as the one supplied to Ms D will require repair and maintenance. I'm not persuaded that the need to replace the brake pads and tyres means that the car was of unsatisfactory quality when it was supplied. I also have no evidence that the start/stop function fault was present when Ms D acquired the car.

Ms D has explained that the vehicle passed an MOT on 28 August 2024 with no advisories yet within three months a local garage found a tyre was below the legal tread limit. She said this is also consistent with the findings in the health check report. She also said this raises serious concerns around the MOT, suspecting it may not have been carried out correctly or even falsified.

I understand Ms D's concerns about the tyres but it's not my role to determine whether an MOT is valid or not, I think it's reasonable to rely upon MOT records accessible through the Government's website. It's also not for me to say when there should be advisories on an

MOT. I've looked at the records for the MOT history, and I can see the MOT passed before and shortly after Ms D acquired the car.

Ms D has also raised concerns about the paintwork, she says the paintwork on the bonnet is now peeling and there are noticeable scratches. I've reviewed the photos provided by Ms D which show scratches and cosmetic damage to the car. Whilst it's the case that appearance and finish are factors to consider when deciding whether a car is of satisfactory quality,

I also have to take into account the age and mileage of the car and the fact that it's reasonable to expect that there will be some wear and tear. In this case, I don't think the cosmetic damage goes beyond what a reasonable person might expect for an eight-year-old car. So, I'm not persuaded that the cosmetic damage means that the car wasn't of satisfactory quality when supplied.

Close Brothers acknowledged it had a potential liability in respect of the quality of goods it supplied and so it instructed an independent party to carry out an inspection of the car. As a result, a detailed report setting out the professional opinion of the third party was provided and it identified several faults. Whilst I won't list them all here, for completeness, I will note a few. The report confirmed the engine management light had illuminated, it stated the engine had a slight misfire and there had been an O2 sensor unplugged. It also said there was a knocking noise emitting from underneath the vehicle.

I acknowledge there were faults identified within the report, some of which are consistent with Ms D's testimony, but I must also consider that the independent engineer went on to say, *'the faults would not have been present or in development at the point of sale given the mileage covered since purchase'*.

I see no reason why Close Brothers should not be entitled to rely on this report. I've seen nothing to contradict the findings of this report and so similarly I consider I can rely on the report in determining this complaint. I do empathise with Ms D who I don't doubt would have to pay out money on work that needs doing to rectify the faults.

Close Brothers has gone in some way to acknowledge where it may have done things better. It recognised it caused some delay in instructing the third-party inspection and so it reimbursed Ms D a monthly instalment in recognition of the car hire Ms D would've paid whilst it conducted its investigation. It also reimbursed Ms D the cost of the health check she paid for. I note Ms D says this is an admission of liability, but I think it's fair to say it's a gesture of goodwill.

Taking everything into account, I haven't seen any evidence to persuade me that the car wasn't of satisfactory quality at the point of supply. So, it follows that I won't be asking Close Brothers to do anything further.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 13 June 2025.

Rajvinder Pnaiser
Ombudsman