

The complaint

Mr P is unhappy that a car supplied to him under a conditional sale agreement with Close Brothers Limited, trading as Close Brothers Motor Finance, was misrepresented to him.

What happened

In July 2023, Mr P was supplied with a used car through a conditional sale agreement with Close Brothers. He paid an advance payment of £449.50, and the agreement was for £4,045.50 over 60 months; with 59 monthly payments of £104.16 and a final payment of £114.16. At the time of supply, the car was just over ten years old and had done 85,340 miles (according to the agreement).

Mr P says that, when the car was originally advertised, it was advertised as having one previous owner. However, when he received the V5c document, it showed that the car had actually had five previous owners. As such, Mr P believed the car wasn't worth the price he'd paid - £4,495 – and that it had been misrepresented to him.

Mr P complained to Close Brothers in October 2024. They agreed the car had been misrepresented, and they thought the car had been overvalued by £500. So, they refunded £500 to Mr P, as well as paying him an additional £200 compensation for the trouble and upset he'd been caused. Mr P wasn't happy with this offer, and he brought his complaint to the Financial Ombudsman Service for investigation. He also said that he wasn't happy with the quality of the car that had been supplied to him.

Our investigator agreed the car had been misrepresented to Mr P. They considered the value of the car at the time it was supplied to Mr P, based on its true history, and thought this would be around £4,848. So, as the investigator said Mr P had paid less than the true value of the car at the time, they thought Close Brothers' offer was fair and reasonable, and they didn't think Close Brothers needed to do anything more.

The investigator also said that we were unable to consider the complaint about the quality of the car that had been supplied to Mr P, as this hadn't yet been raised with Close Brothers.

Mr P didn't agree with the investigator's opinion. He believed it was illegal to advertise a car as having one previous owner when it had had five. He also commented on the amount of money he had to spend on the car since it was supplied to him.

Because Mr P didn't agree, this matter 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.

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 P 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.

Before I explain why I've reached my decision, it would be useful for me to set out exactly what I've been able to consider within it. In line with the rules our service works, we are only able to consider complaints that have been raised with a financial business, with them having been given an opportunity to respond within their complaint process.

At the point which has led to this decision, Mr P has raised a complaint with Close Brothers about the misrepresentation, which received a response. So, in line with our services approach, this decision will only consider the events, and complaint points raised and addressed, up to and within Close Brothers' complaint response on 5 November 2024.

So, any events that occurred, or complaints that have arisen, after 5 November 2024 haven't been considered or impacted the decision I've reached. This means that Mr P's complaint about the car being supplied to him not being of a satisfactory quality hasn't been considered as part of my decision. He would first need to raise this with Close Brothers separately and if necessary, refer it to our service for consideration under a new complaint reference.

The evidence is clear that the car was misrepresented to Mr P – the advert clearly says one previous owner, while the V5c confirms this was actually five. Close Brothers have acknowledged this was the case, and compensated Mr P for this.

The agreement started in July 2023, and the V5c was issued to Mr P on 14 August 2023. But Mr P didn't complain to Close Brothers about this until October 2024 – more than a year after he received the V5c, a document that clearly states the number of former keepers on the front page. Given this delay, I'm not satisfied that the number of former keepers was so important to Mr P that, had the advert stated the correct number, then he would never have chosen this particular car – Mr P has never said this would've been the case and, if it had been, then it's reasonable that he wouldn't have waited over a year before complaining.

As such, I don't think it's reasonable in the circumstances to now ask Close Brothers to allow Mr P to reject the car.

However, this doesn't mean that the cash price of the car fairly reflected its history. I've seen a copy of the valuation the investigator obtained, which was based on the age and mileage of the car, and more importantly the number of former keepers, at the point it was supplied to Mr P. And this indicates the car had a market value more than the cash price. Based on this evidence, I can't fairly say that Mr P overpaid for the car.

Despite this, Close Brothers did consider that Mr P may've paid £500 more than the car was worth at the time of supply, and they refunded this amount to him. They also paid him £200 compensation for any trouble and inconvenience he'd been caused. Based on the evidence I've seen I'm satisfied this offer was reasonable and, while I appreciate this will come as a disappointment to Mr P, I won't be asking Close Brothers to do anything more.

Finally, Mr P has commented on the potential illegality of the supplying dealership incorrectly stating the number of former owners in the advert. The Financial Ombudsman Service is an alternative to the courts, and we are unable to make a ruling that someone has acted

illegally – only the courts should do this. As such, if Mr P believes the dealership acted illegally, then he should take independent legal advice about this, and about his options.

My final decision

For the reasons explained, I don't uphold Mr P'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 P to accept or reject my decision before 3 September 2025.

Andrew Burford
Ombudsman