

The complaint

Mrs N is unhappy that a car supplied to her under a conditional sale agreement with Close Brothers Limited trading as Close Brothers was of an unsatisfactory quality.

What happened

In May 2023 Mrs N was supplied with a used car through a conditional sale agreement with Close Brothers. The agreement was for £16,931 over 60 months; with 59 monthly payments of £282 and a final payment of £292. At the time of supply, the car was around six years old, and had done 101,710 miles.

Mrs N said that she first complained to the supplying dealer about the car juddering a few days after she got it. She said she also complained to Close Brothers that there was a problem with the fuel. She said she was told to provide a report, which she did. She said she was told the report wasn't sufficient and they needed to inspect the car. Mrs N said she couldn't afford to be without the car for the 72 hours she was told they needed, so she didn't get it inspected.

She complained again in July 2024. She said she'd continued to have issues with the car, but personal health issues had prevented her from complaining. She said she provided Close Brothers with a new diagnostic report from a different garage. She was told by Close Brothers that this report wasn't satisfactory, so she had to obtain another one. She said Close Brothers gave her £50 as compensation for not being clear about the type of report they needed.

She sent the new diagnostic report to Close Brothers in October 2024. She said the report stated that the car had been faulty within six months of purchase, and the faults were linked with the faults identified in the two previous reports she'd submitted.

She said she then received a call from a third party informing her they had been instructed by Close Brothers to collect the car due to arrears on the account. She said Close Brothers had not told her they were taking the car away. She said that Close Brothers would not allow her to carry out any repairs to the car.

Close Brothers said the report provided by Mrs N referenced a number of previous inspections that it had relied on. They said they asked for these reports, and because they weren't provided, they arranged their own inspection. Their independent inspection concluded that the faults would not have been present or developing at the time the car was supplied to Mrs N. So they didn't uphold her complaint. They did pay her £150 in compensation for delays and inconvenience.

Mrs N was unhappy with this response, so she referred her complaint to our service for investigation.

Our investigator didn't uphold the complaint. She said she didn't think Mrs N had a right to reject the car. She said she wasn't persuaded there was a fault with the injectors. She said she didn't think Mrs N would've been able to drive the car for 16,626 miles if it had been

faulty. She also explained that she wasn't persuaded by the independent report Mrs N provided as it didn't explain why it wasn't of satisfactory quality. She said she was more persuaded by the independent inspection provided by Close Brothers.

She also explained why she was satisfied that Close Brothers had issued correspondence to Mrs N informing her that they were terminating her agreement.

Mrs N didn't agree with the investigator. She said she should've been allowed to reject the car as she had reported faults with it to the dealer within 14 days.

She said that Close Brothers weren't willing to provide her with a courtesy car and told her to obtain expensive reports, causing her hardship. She said this demonstrated they had failed to treat her as a vulnerable consumer. She asked if it was reasonable for them to make her provide her own evidence. She also questioned why she was being penalised for using the car that she needed for her family.

Because Mrs N didn't agree, this matter has been passed to me to make 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. Mrs N was supplied with a car under a conditional sale agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mrs N entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances.

Here, I'll consider that Mrs N's car was around six years old and had covered more than 100,000 miles. So I don't think a reasonable person would expect it to be in the same condition as a newer, less road worn one. And I'm satisfied they would expect the car to have parts affected by wear and tear.

Under the Consumer Rights Act 2015, where a fault occurs in the first 30 days, the consumer has a short term right of rejection. Mrs N collected the car on 1 May 2023. Within a few days she complained to the supplying dealer about the car juddering and something wrong with the fuel injector. She provided a report from an independent garage dated 10 May 2023. It said:

“injectors are putting too much fuel in to the engine so the vehicle running too rich”

She told the supplying dealer she wanted to reject the car. She raised this with Close Brothers on 23 May 2023 – still within the 30 day period. She raised this again with them on 17 July 2023.

Close Brothers said they tried to arrange for an independent inspection to be done but Mrs N failed to do this. Mrs N told us that the dealership would take three days to inspect the car. She said she needed the car and couldn't be without it for three days.

I'm satisfied there was an issue with the car. But I think it was reasonable for Close Brothers to arrange an inspection to identify the issue, and what had caused it: for example, was it routine wear and tear. That was reasonable in this case because the car had done more than 100,000 miles and, as I've explained above, it would be reasonable to expect some wear and tear.

Even though the inspection would likely have been done after the first 30 days, Mrs N would still have been able to reject the car if the inspection had confirmed the fault. That's because I would've considered the fault to have been reported in time, and the clock would've "stopped" at the point Mrs N had raised the complaint with Close Brothers.

But Mrs N didn't arrange an inspection, and therefore the fault wasn't properly diagnosed. And Mrs N didn't raise the issue again with Close Brothers until 24 June 2024, more than a year later.

I'm satisfied that Mrs N did have the right to reject, but because she didn't arrange for an inspection, and continued to use the car, she lost that initial right to reject. I don't think Close Brothers were unfair or unreasonable in closing her complaint in July 2023.

Mrs N was in regular contact with Close Brothers about payments in the period July 2023 and June 2024. I've reviewed the contact notes with Close Brothers and can't see that Mrs N mentioned any issues with the car during that time.

When Mrs N raised the issue in June 2024, Close Brothers told her that because she'd done more than 11,000 miles in the car, they didn't think the fault was present or developing at the time of sale. Given the time that had passed, and the mileage done, I think it was reasonable for them to reach this conclusion. So it follows that I think it was reasonable for them to require Mrs N to supply evidence that the car was faulty if she didn't accept their decision.

Mrs N provided two independent reports. The first dated 5 July 2024, mileage 117,513 – this said that "*faults are ongoing due to injector issues as well as fuel pump issues*" and "*because it's been ongoing for a long period of time it looks like its blocked the DPF*".

The second report, dated 2 October 2024, mileage 118,336, concluded that:

"I am clear of my opinion that this vehicle is was not fit for purpose and in not sold in a durable condition at the time of the sale" (sic).

Close Brothers didn't accept this report. They said this was because the report relied on previous inspections.

So they arranged another independent inspection. This was done on 17 December 2024. This report found a number of faults, but concluded:

"given the high mileage covered, the faults would not have been present or in development at the point of sale."

It also confirmed that no repairs had been carried out. It said the car started but stalled after just 30 seconds. The car wouldn't start again, preventing the engineer from driving the car. This meant he couldn't confirm whether or not the injector was pumping too much fuel into the car, and if it juddered when driving. It did confirm a fault with the DPF.

Close Brothers accepted the conclusions of this report. Mrs N didn't: she said the engineer only looked at why the engine management light was on, when he should've looked at what caused the faults. She said the report she provided highlighted the current problems were related to the original issue with the injectors and the fuel mix.

I agree with Mrs N that the current issues with the car are likely to be related to the faults she first reported in May 2023. I've considered the reports she provided. The technician who provided the report from August 2024 (listing fault codes) noted that the faults were due to injector and fuel pump issues. Importantly he also said that *"because it had been ongoing for a long period of time it looks like its blocked the DPF"*.

The report from October 2024 also highlighted issues with the DPF.

So it appears to me that the current issues may be related to the original fault. But, I think it's more likely than not that the current faults were caused by the injectors never being repaired. The car was driven for more than 15,000 miles after the faults were first reported.

So I'm persuaded that Close Brothers were not responsible for the current faults. They tried to arrange an inspection of the original fault, but Mrs N didn't allow an inspection to take place. She continued to use the car for more than a year, despite being aware of the faults. I've explained above why I think it was reasonable for them to arrange their own inspection when she notified Close Brothers of the latest issues.

And I'm satisfied that it was reasonable for them to rely on the engineer's conclusions and not uphold Mrs N's complaint about the satisfactory quality of the car.

Termination

In her complaint to this service, Mrs N complains that she was not told that her agreement had been terminated and the car would be collected. She says she only found out when she was contacted by an agent acting for Close Brothers.

I've seen the letter Close Brothers said it sent to Mrs N. This is dated 1 October 2024 and is addressed to the same address as Mrs N provided with this complaint. I can't explain why she may not have received it, but I'm satisfied that it was issued and Close Brothers did notify Mrs N that the agreement would be terminated.

I've not considered any other aspect of the termination or default process in this decision.

I know this will be disappointing for Mrs N. I thank her for being so open about her personal situation, and the physical and mental impact this situation is having on her. But I need to consider whether or not Close Brothers acted fairly and reasonably. I've explained above why I think they have, so I won't be asking them to take any further action.

I do remind Close Brothers that Mrs N is a vulnerable consumer, and to treat her with forbearance and due consideration.

My final decision

For the reasons explained, I don't uphold Mrs N's complaint about Close Brothers Limited

trading as Close Brothers.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 24 September 2025.

Gordon Ramsay
Ombudsman