

The complaint

Mr T complains that a car he acquired through a conditional sale agreement financed by Close Brothers Limited ('Close Brothers') is of unsatisfactory quality.

Mr T is represented in this complaint but for ease of reference I have referred to Mr T throughout this decision.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

Mr T acquired a used van under a conditional sale agreement in February 2024; the van was five years old with a cash price of £14,990 and had covered around 85,000 miles.

In January 2025 Mr T raised a complaint, amongst other things he said the engine had failed, a local garage advised it could be the timing belt and crank shaft sensor at fault and the vehicle had no compression. In February 2025 Close Brothers issued its final response letter, in short it didn't uphold the complaint.

Based on the findings of the independent inspection it said the faults complained of were not developing or present at the time of sale. Our Investigator looked into things and didn't uphold the complaint for similar reasons.

Following this Mr T commissioned an independent inspection by a specialist who concluded the faults complained of are consistent with the timing belt failing. It said this should've been changed before the vehicle was sold. Our Investigator considered this but said it didn't change his stance, Close Brothers also didn't think it changed the outcome of this complaint.

As an agreement couldn't be reached the complaint 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 our Investigator and for broadly the same reasons. I know this will come as a disappointment to Mr T, but I will explain my reasons below.

I trust Mr T will not take the fact that my findings focus on what I consider to be the central issue as a discourtesy. The purpose of my decision isn't to address every point raised but to set out my conclusions and reasons for reaching them.

This reflects the nature of our service as an informal alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't, I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

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 good industry practice at the time.

The conditional sale agreement entered by Mr T 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 Mr T 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. Vehicles 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 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. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr T's case the van was used and covered approximately 85,000 miles when he acquired it. So, I'd have different expectations of it compared to a brand-new van. Having said that, the van's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

It isn't in dispute that there's a fault with the van, Mr T had the van for around a year and covered just over 5,000 miles before it experienced a catastrophic failure. But just because the van requires repair now, doesn't automatically follow that it wasn't of satisfactory quality when it was supplied.

A van has numerous mechanical and electrical parts which will inevitably wear with age and use. Different parts of a vehicle will have differing expected lifespans, and some will be required to be replaced as part of regular ongoing maintenance. With this in mind I've not seen anything to persuade me that the engine failure which Mr T complains of now failed prematurely or was not reasonably durable given its age and mileage.

The CRA 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 the fault is identified after the first six months, the CRA implies that it's for Mr T to show it was present when the car was supplied.

In any event, Close Brothers arranged for an inspection to be carried out by an independent third party. I've seen a copy of the independent engineer's report for the inspection that took place on 6 February 2025. From the information I have, I'm satisfied the car would've travelled around 5,000 miles since supply.

The engineer said:

"O1 In our opinion based on the visible evidence , we can confirm that we did observe an issue with the vehicle in the form of the engine cranking over and appearing to have low compression.

O2 On interrogating the vehicles ECU we retrieved a fault code for camshaft position

sensor A circuit (bank 1 or single sensor).

O3 We would consider a fault of this nature would be consistent with wet timing belt failure but further investigation would be required to confirm.

O4 A fault of this nature would be due to wear and deterioration and would not be unexpected on a vehicle of this age and mileage."

It concluded:

"C1 We note from our instructions that the vehicle has covered 5'734 miles since hire to the date of our inspection.

C2 We would conclude that we did observe an issue with the vehicle in the form of the engine cranking over and in a none start condition. We also noted that the engine appeared to have low compression, consistent with timing belt failure.

C3 Considering the vehicle has incurred 5'734 miles since purchase we would consider, based on our engineering perspective, that the fault would not have been present at the point of vehicle sale."

The engineer confirmed that their duty is to the courts, and not to the person who instructed and/or paid for the report. Mr T raised some concerns about the cost of having to replace not just the engine but there being issues with the battery and clutch. However, I do think the crux of this complaint is about the engine failure given the cost of repair involved. Mr T went on to commission a further independent report, he says this was conducted by a specialist which I don't doubt. I've looked at this report, it was undertaken on 10 June 2025 and states the mileage at this point was 90,863 which is consistent with the first report.

The report said:

'These fault codes indicate that the timing belt has degraded which has blocked the oil galleries to the brake vacuum pump and the camshaft sensor fault is shown when the timing belt has failed and jumped causing significant engine damage...

results which were found are timing belt seriously deteriorated and damaged as seen in photos...

timing belt change is every 6 years or 100 thousand miles (whichever comes first). The vehicle is now currently 7 years old which means the timing belt should have been changed prior to the customer purchasing the vehicle.

The independent inspections are, in my opinion, the most persuasive pieces of evidence in this case. Both were physical inspections of the van by qualified motor technicians. As such, I'm satisfied both reports are reasonable to rely on.

Given the contents of both reports, in my view the van was of satisfactory quality when supplied to Mr T. The first report categorically confirms there are faults with the van, but these wouldn't have been present at the point of supply.

The results of the report commissioned by Mr T which in Mr T's own words was undertaken by a specialist states the timing belt should be changed every six years or 100,000 miles, whichever comes first. It also suggested this should've been changed before Mr T acquired the van but I'm afraid I don't agree. At the point of Mr T acquiring the van it was five years old, further it hadn't completed 100,000 miles so I don't think it'd be fair or reasonable to

conclude that the van wasn't of satisfactory quality at the point of supply.

I've also taken into account that Mr T's van had travelled just over 90,000 miles in total by the time this problem happened. This isn't an insignificant amount of mileage and would lead me to doubt whether I could say for certain that the engine shouldn't have failed at that time because of an underlying issue with it at the point of supply. And given that Mr T was able to travel around 5,000 miles without any issue, I'm persuaded an inherent issue with the engine would have presented itself much sooner.

I empathise with the situation Mr T is now left in, and I understand why this isn't the outcome he would've wanted. But for the reasons I've explained I won't be asking Close Brothers to take any further action in relation to this complaint.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 24 October 2025.

Rajvinder Pnaiser
Ombudsman