

The complaint

Mr C complains that the car he acquired through Close Brothers Limited, trading as Close Brothers Motor Finance (“CBL”) wasn’t of satisfactory quality. He wants to reject the car and cancel the finance agreement.

What happened

Mr C entered a conditional sale agreement in January 2025 to acquire a used car. The cash price of the car was £11,995, and after taking account of the advance payment, the credit provided totalled £10,795. The credit agreement was set up over a term of 49 months, with monthly payments of £255.84. If the credit agreement ran to term, the total amount repayable would be £16,560.40. At the time of acquisition, the car had already been driven more than 61,640 miles and was more than six years old.

Mr C told us:

- He purchased the car in January 2025, but within the first month he experienced issues with it, and he paid for repairs in an attempt to address the problems;
- there was a huge clanking noise beneath the car when steering, which then led to the cracking of the dog bone mount [pendulum mount], and the car felt very unsafe and unstable to drive;
- the car was in the garage for a couple of months, and this affected family life – it made commuting and the school run difficult;
- CBL arranged for an independent inspection which concluded the car was faulty from the point of sale, but it wouldn’t share the report with him unless he withdrew his complaint from this Service;
- he wrote to the supplying dealership expressing his wish to reject the car due to *“ongoing and unresolved mechanical problems that have rendered the car unreliable and unfit for use”*;
- he told the supplying dealership that the car had spent a disproportionate amount of time in the garage for repairs, but that the serious issues continue to persist, and the car remains defective;
- he’s had to buy another car to stay mobile;
- he wants to cancel the agreement and reject the car and be compensated for his stress and inconvenience.

CBL initially rejected this complaint in May 2025. It said it needed evidence of the faults, and evidence that they would have been present or developing at the point of sale. It said that it understood that the car was working as expected and could not uphold this complaint. Once it received the independent report, CBL contacted the supplying dealership and said that the car was not fit for purpose and it explained that Mr C was *“entitled to a repair of the vehicle as the issues were raised to us within the first 6 months of the Consumer Rights Act (2015) and you are granted one opportunity to repair the vehicle”*.

Our investigator looked at this complaint and said he thought it should be upheld. He explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of

this complaint and said he didn't think the car that CBL had supplied had been of satisfactory quality.

Our Investigator said that CBL's suggestion that '*repair*' was the right remedy in this case wasn't appropriate. He explained that the car has remained unusable since a complaint was raised with CBL on 2 April 2025, and he could see no evidence of agreement between CBL and the supplying dealership about repairs being undertaken. In fact, he noted that there seemed to be a complete *lack of ownership* between them, and he explained that the CRA expects remedies to be undertaken with a reasonable timeframe and without significant inconvenience to the consumer. This clearly had not happened, so our Investigator said rejection of the car was now appropriate.

He considered all the repair work undertaken at his own expense by Mr C and said he thought Mr C should be able to reject the car, and he recommended that CBL reimburse Mr C for the costs he's incurred, along with some monthly payments in recognition of the fact Mr C had been unable to use the car for a lengthy period of time. And he said CBL should also pay some compensation.

CBL said it disagreed with our Investigator's conclusions, so the complaint comes 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 agree with our Investigator that this complaint should be upheld, and I'll explain why.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Mr C was of satisfactory quality or not.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless CBL can show otherwise. But, if the fault is identified after the first six months, then it's for Mr C to show the fault was present when he first acquired the car. So, if I thought the car was faulty when Mr C took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask CBL to put this right.

I don't think there's any dispute that Mr C has experienced significant issues with the car. That's been well evidenced by what he's told us, and from the evidence and paperwork he's sent us. I've seen invoices from third parties following diagnostics and repairs that have been undertaken. And I've seen nothing from CBL that calls into question the integrity of these third-parties or the work that they undertook. But it's also clear from the independent inspector's report that there remain issues and faults with the car.

I've read the independent report, and I find it to be the most compelling piece of evidence. I say this because the independent engineer is appropriately qualified to assess vehicles and compile a report of findings, and they conducted a physical examination of the car. They were able to inspect the car; confirm the presence of any faults, and whether they were recent faults, or likely present or developing at the point the car was supplied.

In their report, the engineer said the following:

- *"Noise coming from the vehicle".*
- *"we noted that the engine was unstable and was rocking. This rocking movement was transmitted through the gear lever and body in the form of a vibration".*
- *We performed a 3-mile road test up to speeds of 40mph. During the road test we noted an abnormal intermittent rattle from an exhaust heat shield and a thudding noise from the rear suspension when travelling over uneven ground. We also noted a knock from the front suspension".*
- *"We noted that the nearside rear sway bar link was worn. Both front shock absorbers appeared to be of recent origin. The prop shaft mounting bushes displayed excessive play. We noted lateral play in the transfer box output shaft and gearbox driveshafts".*

The inspector reported:

"We did identify issues in the form of an abnormal rocking movement from the engine at idle, consistent with a deteriorated engine or gearbox mount, a rattle from the underside of the vehicle consistent with a loose or broken exhaust heat shield, a thud from the rear suspension over uneven ground consistent with a deteriorated rear sway bar link and a knock from the front suspension consistent with upper strut mounts or mount rubbers. Further investigation would be required to confirm".

And they clearly set out their conclusions as follows:

- *"We do consider the faults to have been present or in development at the point of purchase".*
- *"The reported faults have not developed after purchase".*
- *"The vehicle requires possible gearbox or engine mount, securing of exhaust heat shield, replacement nearside rear sway bar link, upper strut mounts or mount rubbers and further investigation to ascertain the cause of the lateral play in the transfer case and gearbox driveshafts, replacement of prop shaft mounting bushes".*
- *"The faults with the vehicle were present or in development at sale".*
- *"Considering the vehicle has incurred 2,417 miles since purchase we would consider the issues to have been present or in the stages of development at the point of vehicle sale".*

Reviewing this report alongside Mr C's testimony, I've concluded that the car was not of satisfactory quality when it was first supplied.

I now need to consider what would be fair and reasonable to put things right. Given that, currently, the car is neither roadworthy nor movable, and repairs have been attempted by third parties, and there seems to be a lack of engagement by the supplying dealership based on the information provided by CBL, I don't think any further attempts at repair by anyone seem reasonable. So, I think Mr C should be able to reject the car.

I need to consider that Mr C has had no use of the case for some time, so I'm going to require CBL to refund some monthly payments along with the costs he's incurred trying to rectify the faults and problems with this car. I'm also going to take into consideration what

he's told us about the worry and anxiety and stress that this fault has caused him since he first acquired the car, and the inconvenience he's been caused – I'm going to ask CBL to pay him some compensation in recognition of this.

Putting things right

I direct Close Brothers Limited, trading as Close Brothers Motor Finance to put things right by:

- Ending the credit agreement with nothing further to pay.
- Removing any adverse information from Mr C's credit file in relation to this agreement.
- Collecting the car, if it hasn't already been collected, at no cost to Mr C and at a time and date convenient to him.
- Refunding Mr C his trade-in contribution / deposit, which I understand was £1,200.
- Refunding all monthly payments made from 21 March 2025 to the date of settlement, as Mr C was unable to use the car from this point onwards due to inherent faults.
- Reimbursing Mr C for the additional costs he incurred that are a result of being supplied with a car that was not of satisfactory quality. I understand that the costs he's evidence to this Service total £362.07.
- Paying 8% simple interest on all refunded amounts from the date of payment until the date of settlement*.
- Paying Mr C £200 compensation in recognition of the distress, anxiety and worry he's been caused because he was supplied with a car that had inherent quality issues.

*HM Revenue & Customs requires Close Brothers Limited, trading as Close Brothers Motor Finance to take off tax from this interest. Close Brothers Limited, trading as Close Brothers Motor Finance must give Mr C a certificate showing how much tax has been taken off if he asks for one.

My final decision

My final decision is that I uphold this complaint and require Close Brothers Limited, trading as Close Brothers Motor Finance to put things right in the way I've directed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 5 February 2026.

Andrew Macnamara
Ombudsman