

The complaint

Miss M complains that the car she acquired through Close Brothers Limited, trading as Close Brothers Motor Finance (“CBL”) wasn’t of satisfactory quality because it was supplied without a *Diesel Particulate Filter* (“DPF”). She wants to reject the car and cancel the finance agreement.

What happened

Miss M entered a conditional sale agreement in May 2004 to acquire a used car. The cash price of the car was £6,495, Miss M paid a deposit of £450, and the balance of £6,045 was to be paid through the credit agreement which was set up over a 60-month term with monthly payments of £151.83. If the credit agreement ran to term, then the total repayable would be £9,559.80. At the time of acquisition, the car had already been driven more than 70,000 miles and was around 14 years old.

Miss M told us:

- the car was emitting black smoke on cold starts from the point it was supplied; so after about two months, she took it to a local garage to investigate;
- the garage carried out a smoke test, which the car failed, and when it investigated things further, it discovered the car was missing its DPF;
- the absence of a DPF means the car was neither roadworthy, nor legal, it simply should not have passed its last MOT due to being non-compliant with emissions;
- she raised the matter with the supplying dealership, but it claimed to know nothing about a missing DPF, even though it had just been supplied, and it had arranged the last MOT;
- she told the supplying dealership that she wanted to reject the car, but it encouraged her to get it repaired, and it said it would not only pay for repairs, but it would also supply a replacement DPF;
- the car lost all power in November 2024, and she ended up having to pay £750 for a new *Electronic Control Unit* (“ECU”), but that did not resolve the problem, and she was quoted a further £1,500-£2,000 for further repairs;
- at this point she decided she no longer wanted the car, and she contacted the supplying dealership, but her call for help was declined – the supplying dealership’s representative said he’d never personally financed a car and didn’t know what to do in this situation;
- she complained to CBL, and provided evidence of what had happened, but was told it was insufficient, and further testing was required. This wasn’t possible as the car could not be driven;
- the car had been tampered with prior to it being supplied as evidenced by a missing DPF, and a mechanic had confirmed that the wiring was sub-standard;
- the car has spent more time off the road than being driven, and she wants to reject the car and have the credit agreement cancelled.

CBL rejected this complaint. It says it can't accept Miss M's rejection of the car it's seen no evidence that the fault was present or developing at the point of sale, or that the repairs completed by the dealer have been unsuccessful.

Our Investigator looked at this complaint and said he thought it should be upheld. He noted the car's age and mileage and said that it should be expected that it would show a reasonable level of wear and tear, and it would not be surprising if the car needed work or repairs within a reasonable period after its supply; the car's components would start to need replacement having been driven so many miles.

Our Investigator said that the DPF issues alone were sufficient to uphold this complaint. He explained he'd spoken with the mechanics who'd identified the missing DPF, and they confirmed the DPF had been cut out. The mechanics explained that the car should've failed its MOT, and it had likely been re-mapped to prevent warning lights appearing on the dashboard. Our Investigator said that given the supplying dealership had not only paid for the subsequent repairs, but it had also supplied the replacement DPF for installation, he was satisfied that the car had not been of satisfactory quality at the point of supply, and through its actions, it seems the supplying dealership accepted responsibility for this.

A vehicle health check in May 2025 made a number of negative comments about the replacement DPF, some wiring, and concluded there was a likely need for *another* new DPF. Because of these comments, our Investigator spoke directly with the garage that had installed the replacement DPF and he was told that the supplying dealership had indeed provided a replacement DPF, but that it had been "*of very poor quality*"; comments that the invoice for this work had also been annotated with, and this explained why the vehicle health check had reached the conclusions it had.

Our Investigator said that the car supplied was not of satisfactory quality, and the subsequent repairs had been substandard and likely failed; the replacement DPF had been insufficiently durable, so Miss M should be able to reject the car. Our Investigator recommended that CBL should cover some of Miss M's costs and pay her some compensation for the distress and worry she'd been caused.

CBL disagreed with these recommendations. Amongst its submissions, it said that it hadn't been told that the car had been off the road since November 2024; and the supplying dealership had simply bought the replacement DPF online and had not seen the part.

CBL was invited to instruct its own independent inspection of the car, and this was carried out in February 2026. This inspection report was provided to all parties. Both Miss M and CBL maintained their previous positions.

Our Investigator reviewed the report and said his opinion of this complaint remained unchanged. He explained that because the DPF had been replaced after the car had been supplied, it was inevitable that the report would conclude that any current issues with it were not present when the car was supplied. But the DPF had been installed because the car did not have one, and the subsequent repairs had been substandard, and nothing in the report disagreed with this position.

CBL disagreed 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 think this complaint should be upheld. I'll explain why.

As the conditional sale agreement entered into by Miss M is a regulated consumer credit agreement this service is able to consider complaints relating to it. CBL is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. This says under a contract to supply goods, the supplier – CBL in this case – had a responsibility to make sure the goods it supplied were of 'satisfactory quality'.

Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors. 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. In this case, I would consider relevant factors to include, amongst others, the car's age, price, description and mileage.

What I need to consider in this case is whether the car supplied to Miss M was of satisfactory quality or not, and having considered things most carefully, I, like our investigator, don't think the car supplied to Miss M was of satisfactory quality at the point of supply. I say this because one of the considerations for whether something is of satisfactory quality is whether or not the item in question has proven to be suitably durable, and in this particular case, the problems with the DPF, or lack of it, arose within the first couple of weeks after Miss M first acquired the car.

Under the CRA, when a fault of this nature occurs within the first six months since supply, it's for the business – in this case CBL – to *prove* that the issue with the car was not present or developing at the point of supply. Now, although I can see that CBL wasn't contacted when the problem was first identified and this may have limited its ability to prove its position, it seems to me that based on the fault – the DPF that had been cut away – and how soon after supply this was confirmed, then it's *more likely than not* that the issue of the absent DPF was present when the car was supplied. And I think the actions of the supplying dealership in paying for the repairs and supplying the parts further support this position.

The CRA also says that businesses have one opportunity to carry out all repairs, not one opportunity for each fault, and not multiple attempts at the same fault. The expectation is that any repairs are carried out quickly and completely and professionally, to a good standard and, most importantly, that they are successful. But in this case, the work to instal a replacement DPF seems to have been sub-standard; both in terms of the part supplied and the workmanship to install it. In these circumstances I think it would be fair to allow Miss M to reject the car.

I might add, that had Miss M been made aware of the removed DPF sooner and been aware of her rights, then she would've been entitled to exercise her short-term right to reject the car, on the grounds that the car simply wasn't fit for purpose. And depending on the details in the advert, she may also have been able to successfully claim that the car was misrepresented to her.

I need to consider that Miss M has had use of the car. But I do appreciate what she's told us about the worry and anxiety that this fault has caused her since she first acquired the car, and some of the consequential costs she's incurred. So I'm going to ask CBL to cover these costs, and to pay her some compensation as well.

Putting things right

I direct Close Brothers Limited to put things right by doing the following:

- ending the agreement with nothing further to pay, and removing any adverse information from Miss M's credit file in relation to the credit agreement;
- collecting the car at no further cost or inconvenience to Miss M;
- refunding Miss M her deposit;
- refunding Miss M half of one monthly payment to reflect the period when she was not able to use the car because of investigations and repairs;
- refunding all monthly payments from 1 December 2024 to the date of settlement;
- reimbursing Miss M the cost of the vehicle health check - £180 upon Miss M providing the relevant receipts;
- reimbursing Miss M the cost of the repairs to the ECU (£980) and the fuel pump (£280) upon Miss M providing the relevant receipts;
- paying 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement*;
- paying an amount of £100 for the distress and inconvenience that's been caused due to the faulty goods.

*HM Revenue & Customs requires Close Brothers Limited to take off tax from this interest. Close Brothers Limited must give Miss M a certificate showing how much tax has been taken off if she 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 Miss M to accept or reject my decision before 13 April 2026.

Andrew Macnamara
Ombudsman