

The complaint

Miss L complains that the car she acquired through Close Brothers Limited trading as Close Brothers Motor Finance (“Close Brothers”) was misrepresented to her.

What happened

Miss L entered into a conditional sale agreement with Close Brothers in April 2024 for the supply of a used car. The car was around seven years old at the time. She’s told us that in July 2025 she decided to sell the car and applied to do this on two online portals for selling cars. They declined to advertise her car however, saying that it had a salvage history and had previously been stolen, recovered and salvaged.

She complained to Close Brothers, saying this information hadn’t been disclosed to her when the car was supplied, or she wouldn’t have entered the agreement. Close Brothers issued their final response letter (FRL) to her complaint in July 2025 and didn’t uphold it. They said that the car had passed a HPI check at the point it was supplied, and this confirms there were no insurance markers or similar which applied to the car.

They felt this was the industry standard for checking the history of a car, and that when a car is recovered with minimal damage, it doesn’t need to be disclosed as it isn’t an insurance write off or similar.

Unhappy with this, Miss L brought her complaint to our service. It was investigated, and the investigator didn’t uphold it. They said that Miss L had provided details showing the car had been stolen and recovered in 2018, and that the HPI check showed the car was not an insurance write off (typically category S or N), and so they weren’t persuaded the car was misrepresented to Miss L. They highlighted that they weren’t persuaded Close Brothers knew about the history, or should have known about it, and for a car of this age, having some damage repairs previously was fairly common.

Miss L didn’t accept this and asked for an Ombudsman to make a final decision. She raised points around the opinion being a misinterpretation of the law, and a HPI check doesn’t absolve Close Brothers from doing more.

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. Miss L 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.

I've considered the points Miss L has made in asking for this decision and am not persuaded by them. For the car to be misrepresented by Close Brothers, she would need to have been told something false which persuaded her to enter the agreement, or to have been not told something which she should have been told, which if she'd known it, would have meant she wouldn't have entered the agreement.

In this case, if the car had an insurance marker on it, showing it had been written off and then repaired and put back on the road, that needs to be disclosed. But a salvage marker from six years prior to supply does not need to be disclosed when supplying a car. Many used cars on the road have accident damage that has been repaired, and this is no different to this car, other than this one appears to have been damaged when it was stolen. But it was recovered, repaired, and spent six years back on the road before Miss L acquired it.

Alongside this, I'm not persuaded that Close Brothers knew about this or should have known. They have carried out the relevant checks to ensure the car hasn't been written off and hasn't got finance attached to it elsewhere, so is available to supply on finance.

This issue appears to be being driven by these specific online portals being far more cautious about which vehicles they are prepared to buy/sell on their portals. Miss L has not suggested she can't sell the car anywhere, just that she can't sell on two specific portals. She bought the car on a four-year agreement which would see her owning it at the end, and I've seen no suggestion that she planned to sell it the following year and discussed this when buying it.

There is no requirement for any selling portal to follow any rules to decide what cars they choose or don't choose to allow to use the portal. It seems that these portals are using different criteria to choose what they sell, and that is their business decision. But this situation is no different than if they decided not to allow anything on the portal that had more than 50,000 miles on the clock, or taking it to the extreme, not to sell any red cars. It's their business decision to make.

Miss L will be able to sell the car in other ways; to dealers, by part exchanging it, by selling it privately, and on this basis, Close Brothers have done nothing wrong when supplying her the car. They haven't misrepresented the car, because there is no requirement in legislation or any industry rules for them to investigate and disclose the salvage history, provided the car hasn't been categorised as a write off.

As can be seen from the salvage report Miss L has supplied, any damage appears minimal, indeed the car just seems dirty in lots of the photos. It's also important to recognise that the salvage marker just means the car has been sold at a salvage auction, but sometimes cars can just be sold here for no reason other than it's an available auction for a business or individual to sell at.

Miss L has argued that the history of the car brings its title into question. I don't agree with this argument. She's said that it's of unsatisfactory quality under the Consumer Rights Act 2015, but there is no evidence supplied suggesting any quality issues with the car. She says the existence of a salvage marker means the car has material defects, which again, I don't agree with.

Close Brothers carried out the checks to ensure the car hadn't been written off, and these checks don't include a salvage history check. I'm satisfied on this basis that they haven't

misrepresented the car to Miss L, as they would appear to be unaware of any salvage history. Alongside this, I don't think they need to make themselves aware of the salvage history and disclose it to Miss L, as it doesn't materially affect the car, especially when it happened so long before.

It would seem the only issue this presented was some repairs and cleaning several years ago to put the car back on the road, and as it's then been driven for several years after this, I can't see that the history has caused any damage to the car or ongoing issues.

I'm satisfied therefore that nothing unfair has gone on here and won't be asking Close Brothers to do anything more.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 13 March 2026.

Paul Cronin
Ombudsman