

complaint

Mr O complains that a car that was supplied to him under a conditional sale agreement with Close Brothers Limited, trading as Close Brothers Motor Finance, was not of satisfactory quality.

background

A used car was supplied to Mr O under a conditional sale agreement with Close Brothers in July 2015. He paid £7,500 for the car, including a £1,000 deposit. It had a mileage of 89,460. The car was serviced before it was supplied to Mr O which included: oil change, oil filter replaced; topped brake fluids; winter/summer coolant added to expansion tank; safety check over front and rear disc and pads; and exterior lighting system check. Mr O first contacted the garage about faults with the car the following day. He then contacted the garage a number of times by text message between July and December 2015 about further problems with the car. He complained to Close Brothers about the problems with the car but wasn't satisfied with its response so complained to this service.

The adjudicator recommended that this complaint should be upheld. He noted that the car was inspected by a second garage in December 2015 which said that the front and rear disc and pads needed replacing, a full engine service was required and that there was a fault with the driver's seat heater circuit. Mr O had only used the car to drive approximately 2,500 miles. The adjudicator concluded that - in the six months after the car was supplied to Mr O - there had been a number of issues related to the car which were visible through the text messages and the report from the second garage. He didn't agree that the brake pads/discs, and filters would have worsened to the extent that they had in the time that Mr O had had the car. He didn't think the car was of a satisfactory quality when it was supplied to Mr O. He said that Mr O had attempted to take the car back on a number of occasions and the dealer had had reasonable opportunity to make any repairs and diagnose any underlying issues. So he concluded that Mr O should be put back in the position he would've been had he not bought the car - the agreement should be cancelled; his deposit and (to take account of his use of the car) any instalment made since December 2015 should be refunded with interest; his credit file should be amended to reflect this; and any additional costs paid by Mr O for the car should be refunded to him (excluding insurance).

Close Brothers has asked for this complaint to be considered by an ombudsman. It says the text messages sent by the customer are not evidence of any fault. And it says that its involvement in this case was fair and the relevant outcome was provided to the customer.

my findings

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 the adjudicator - and for the same reasons.

my final decision

So my decision is that I uphold Mr O's complaint. In full and final settlement of it, I order Close Brothers Limited, trading as Close Brothers Motor Finance, to:

1. Collect the car and cancel the conditional sale agreement - at no cost to Mr O.

2. Refund to Mr O the deposit that he paid for the car and all payments that he has made under the agreement since December 2015.
3. Refund to Mr O any additional costs that he has incurred in connection with the car (other than ordinary running costs such as fuel, insurance and road tax).
4. Pay interest on the amounts at 2 and 3 above at an annual rate of 8% simple from the date of each payment to the date of settlement.
5. Show the agreement as fully settled on Mr O's credit report.

If Close Brothers deducts tax from the interest element of my award, it should send Mr O a tax deduction certificate when making payment. He can then use that certificate to reclaim the tax if he is entitled to do so.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr O to accept or reject my decision before 11 April 2016.

Jarrold Hastings
ombudsman