

The complaint

Miss C complains about a car she acquired with credit provided by Close Brothers Limited.

What happened

In March 2023 Miss C entered into a regulated conditional sale agreement with Close Brothers in respect of a used car. The car was eight years old, its mileage was 38,025 miles, and its cash price was £10,295.

In May, the engine management light (EML) came on, so she took the car to a local garage, who advised her to top up the oil, which she did. A couple of weeks later, she noticed a knocking noise, so she says she topped up the oil again, this time with three litres. After that, she took the car to the dealership where she'd bought it; she says they told her that she had put the wrong kind of oil in, or too much oil, causing the engine to fail. She says she had only used the oil she'd been told to use by the garage.

Then the engine seized up, and the car has not been driveable ever since; she was advised that it needed a new engine. In June, Miss C complained to Close Brothers, who arranged for the car to be inspected by an independent engineer. But the engineer found that the fault had not been present at the point of sale. He said that the car appeared to have been driven with little or no oil for over 5,000 miles since Miss C had acquired it, causing significant damage. Accordingly, Close Brothers did not accept that it was responsible.

Miss C then brought this complaint to our service, represented by her mother. Our investigator did not uphold it, because she accepted the engineer's findings.

Miss C's representative did not accept that opinion. She said that she had noticed an oil leak each time the car had been parked. So the complaint was referred for an ombudsman's decision.

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 do not uphold it. I will explain why.

The law is that Close Brothers is not responsible for everything that goes wrong with the car, only for something that was wrong when it delivered the car to Miss C. So the outcome of her complaint depends on what the available evidence shows about what went wrong with the car and when that is likely to have happened.

The engineer's report says that the mileage was 43,760, meaning that Miss C had driven the car for 5,735 miles since she got it. The engineer described the damage to certain components, and concluded that the damage had been caused by the engine being run "with little or no oil". The engineer went on to say that the faults which had developed would not have been present or developing at the point of sale, but would have begun to develop

afterwards.

I accept the engineer's findings. But I have also considered whether this damage might have been the result of an oil leak present at the point of sale. So I checked the car's MOT history at <https://www.gov.uk/check-mot-history> and it shows that the car passed its MOT in March 2023 with no advisories. On all of the previous MOT checks, it passed with no relevant advisories. That is, there was one advisory in 2022 about the suspension, and a couple of others about worn tyres, but none about oil leaks. The engineer's report doesn't mention an oil leak either. On the balance of probabilities, I am not persuaded that there was an oil leak at the point of sale. (If an oil leak was seen later on, then that was probably the result of too much oil having been put in the car.)

I am therefore satisfied that the car was of satisfactory condition when it was delivered to Miss C.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 13 May 2024.

Richard Wood
Ombudsman