

## The complaint

Mr P complains about a used car he acquired with credit provided by Close Brothers Limited.

## What happened

In January 2023 Mr P entered into a regulated conditional sale agreement with Close Brothers to fund his purchase of a used car. He ordered the car online and had it delivered. The car was nearly eleven years old, its mileage was 109,710 miles, and its cash price was £5,990.

Mr P discovered issues with the car almost right away. The car was very smoky, and the driver's seatbelt didn't work properly. In February Mr P took the car to a garage and had the rocker gasket replaced at his own cost.

In March 2023 the car broke down, and was taken to a garage, where a faulty fuel pump was diagnosed. This was not covered by the warranty. A second garage looked at the car and said that the engine needed rebuilding, which would cost £4,000. In April Mr P asked the dealer to repair the car, and he says that the dealer agreed but then never got back to him. So in early May, Mr P complained to Close Brothers.

Nothing happened until late July, when Close Brothers instructed an independent engineer to inspect the car and report. That report was completed about two weeks later, but due to staff shortages Close Brothers could not review it until a month later, in mid-September. Close Brothers says that at that time it tried to contact Mr P about the report (which said that the fault had been present at the point of sale), but it was unable to reach him. Close Brothers tried again a month later, and this time it got through to Mr P. It offered to transport the car to a garage and have it repaired at no cost to him, if he provided quotes. But Mr P declined that offer, because by then he had already bought another car (since he needed one and could not wait any longer). By then, Mr P had already brought this complaint to our service, in September. He wanted to reject the car and have his money refunded.

Close Brothers argued that by offering to repair the car for free, and also offering to pay Mr P £150 for his inconvenience, it had done enough to resolve the matter. It pointed out that it has the legal right to one attempt at repairing the car before the right to reject it can be exercised. Mr P said that Close Brother's offer had come too late to be of help to him.

Our investigator did not uphold this complaint. He thought that the problems with the car had been the result of reasonable wear and tear, and that this meant that the car had not been of unsatisfactory quality when it was sold to Mr P, having regard to its age, mileage and price. There was support for that view in the independent report. He also mentioned that Mr P had been provided with the car's service history, which showed that a fuel pump fault had been detected before, so it would have been reasonable for Mr P to expect it to recur. He concluded that Close Brothers were not responsible for what had happened, and that their offer was more than they had been obliged to do.

Mr P did not accept that opinion. He said he shouldn't have had to wait for five months for Close Brothers to offer him a solution. He said he'd seen the service history but had

concluded that the fuel pump problem had been repaired when it was diagnosed, in 2018. He insisted that he had been sold a car which was not fit for purpose. He reiterated that the dealer had agreed to repair the car in April, and had then abandoned him. He asked 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.

I am not endorsing the dealer's actions in April 2023, but Close Brothers is not responsible for what the dealer does. Close Brothers is solely responsible for the condition of the car on the date it was delivered to Mr P, so I have confined this decision to that issue.

The car had to be of satisfactory quality at that time, but in deciding what is satisfactory, regard must be had to factors such as the car's age. It would not be reasonable to expect a used car to be in the same condition as a brand new one, for example. As I've said, this car was nearly eleven years old, and had been driven nearly 110,000 miles. Its price when new was around £33,000, but its price when Mr P bought it was £5,990; less than a fifth of the original price. Taking all of that into account, I think that a significant amount of wear and tear could reasonably be expected.

I agree with Mr P's argument that it was reasonable of him to expect that specific issues mentioned in the service history would have been repaired when they were found, five years earlier. But disregarding the service history, the other factors I have mentioned mean that the issues with the car could fairly be described as wear and tear, and not as defects making the car of unsatisfactory quality.

I am reinforced in that opinion by the finding in the independent engineer's report that "*faults of this nature would be due to wear and deterioration and would not be unexpected on a vehicle of this age and mileage.*" I accept that evidence.

For these reasons, I am unable to say that the car was mis-sold, or that Close Brothers should have to refund Mr P or allow him to reject the car.

If the position were otherwise, I would have been able to consider the delays in Close Brothers' handling of this matter, and whether Close Brothers had taken too long to resolve it in Mr P's favour. But since I have been unable to uphold Mr P's substantive complaint, and since complaint-handling is not an activity which falls within the jurisdiction of our service, I am unable to address this issue independently of Mr P's complaint about the car. So I make no findings about that.

### **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 Mr P to accept or reject my decision before 31 July 2024.

Richard Wood  
**Ombudsman**