

## **The complaint**

Mr B complains that a car acquired with finance from Close Brothers Limited ("CB") wasn't of satisfactory quality.

## **What happened**

In April 2023 Mr B was supplied with a car and entered into a conditional sale agreement with CB. At the point of supply the car was around 10 years old and had covered around 98,000 miles.

Mr B experienced issues with the car soon after getting it. He says the service light illuminated and the car was sluggish whilst driving. He also found that the air conditioning didn't work and he experienced an intermittent ignition issue.

In July 2023 Mr B complained to the supplying dealer and the broker. The broker arranged for the car to be inspected.

The inspection found fault codes relating to the traction and electronic steering lock system. It also found stored fault codes relating to the air conditioning system. The inspection stated that the service light was illuminated on start up and that a front coil spring was broken. There were also signs of an oil leak on the underside of the engine and the battery failed a health check.

Mr B sent the report to CB and complained about the quality of the car. CB arranged a further inspection of the car in August 2023.

The inspection found 16 stored fault codes across the powertrain control module, the airbag system, the braking system and the steering management system. It found that the air conditioning wasn't operating. The car was road tested and was found to perform as expected. The engineer was unable to say whether the coil spring was broken because he couldn't jack the car up. The engineer said he couldn't say whether the suspension issue was a fault which would've been present at the point of supply. The report concluded that although the car had several fault codes, it was in operational condition and the fact that it had covered 3,975 miles since the point of supply suggested that the faults had developed after the point of supply.

Based on the findings of the report, CB didn't uphold the complaint.

Mr B remained unhappy and complained to this service.

I issued a provisional decision in which I upheld the complaint. I said I was satisfied that the car had faults based on both inspection reports. I said that although CB had relied on the second inspection report which had concluded that the faults wouldn't have been present at the point of supply, I had some concerns about this second report. I said that although the engineer had identified that the air conditioning wasn't working, he hadn't stated whether this fault would have been present or developing at the point of supply. I said this report had to be read as against the background of Mr B having given clear and consistent testimony that

the air conditioning wasn't working when he got the car. I also said I had concerns about the engineers' conclusions that the faults wouldn't have been present at the point of supply on the grounds of the mileage covered by the car, because mileage isn't generally something which impacts on the air condition system.

I also expressed concern about the engineer's examination of the car. I said that Mr B had been clear about the fact that there was a broken spring on the suspension. He had provided photographic evidence showing this. I said that the engineer was aware – or ought to have been aware – that this was something he needed to look into, but he hadn't jacked the car up and so hadn't inspected this part of the car. I said it wasn't clear why the engineer hadn't jacked the car up as it was clear that he'd been able to drive it.

I said that I was persuaded by the first report which found that the front coil spring was broken. I also said that based on the photographic evidence provided by Mr B, I was persuaded that the coil spring was likely to have been broken at the point of supply.

In relation to the service light being illuminated, I noted that Mr B had said that this was illuminated when he took delivery of the car. However, I said that in the absence of any evidence that the supplying dealer had promised to service the car, I couldn't safely conclude that there had been a breach of contract or a misrepresentation. I said that servicing is part of the ongoing maintenance of a car and that it was up to Mr B to arrange to have the car serviced. I said that a lack of service wouldn't make the car of unsatisfactory quality.

I concluded that the car wasn't of satisfactory quality when it was supplied because of the fault with the air conditioning and the broken coil spring. I said I wasn't persuaded that these faults had occurred since the point of supply and said C should arrange for these items to be repaired at no cost to Mr B.

I invited both parties to let me have any further evidence or arguments they wished to raise.

Mr B didn't respond to the provisional decision. CB responded and said they were largely in agreement with the provisional decision and had no further information to provide, but said it felt that the photo of the rusty coil spring didn't necessarily establish that this fault was present at the point of supply. CB said that the most common symptoms for a broken coil spring or any other suspension component was a knocking noise, steering vibrations or heavy dipping. It said it hadn't seen any information to suggest that Mr B had experienced any of these symptoms. It said that if the coil spring was broken when the car was sold it was likely that it would've appeared immediately.

### **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.

I've taken account of the further points that CB has made about the coil spring. However, on balance, I still think it's more likely than not that the coil spring was broken when the car was sold. I say this because the broken coil spring was identified at the first inspection which took place around 3 months after the car was sold. The car hadn't covered very much mileage since the point of supply when the broken coil spring was first identified, which makes it less likely that the coil spring had been damaged by the road surface as CB has suggested.

I remain of the view that the car wasn't of satisfactory quality when it was supplied because of the faults affecting the coil spring and the air conditioning. I'm therefore asking CB to arrange for repairs to be carried out to these component parts at no cost to Mr B.

**Putting things right**

To put things right, Close Brothers Limited must arrange for repairs to be carried out to the air conditioning and the coil spring at no cost to Mr B.

**My final decision**

I uphold the complaint. Close Brothers Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 March 2024.

Emma Davy  
**Ombudsman**