

The complaint

Mrs N has complained that she is unhappy with the quality of a car she acquired in May 2023, using a hire purchase agreement with N.I.I.B. Group Limited, trading as Northridge Finance ("Northridge").

What happened

Mrs N acquired a Land Rover in May 2023, using a hire purchase agreement with Northridge. The car cost £37,489, of which Mrs N borrowed £27,489 over 60 months, with monthly repayments of £601.78. The car was about five and a half years old at the time and the mileage at the point of supply was 55,178.

Mrs N first had a problem with the car within a month – the DPF was clogged up and there was a problem with the throttle body. The supplying dealership paid for the relevant repairs.

In August 2023, warning lights appeared, which suggested issues with the suspension. Mrs N took the car to a local garage, but the faults identified were not covered under the warranty that she had taken out. Mrs N wanted to reject the car at this point, but the supplying dealership didn't agree to this – it thought the faults had arisen after the point of supply.

Mrs N then complained to Northridge, and it arranged an independent inspection of the car, which was carried out in November 2023. The engineer identified faults with the suspension and evidence of oil leaks, but said that in his opinion these faults would most likely be due to wear and deterioration, rather than being present at the point of supply.

Northridge issued its final response to Mrs N's complaint, saying that, in the light of the independent inspection report, it would be unable to support a rejection of the car, but it did offer a contribution to the cost of the repairs.

Mrs N brought her complaint to this service. Our investigator looked into it, but didn't think it should be upheld. Mrs N didn't agree and asked for it to be reviewed by an ombudsman.

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 decided not to uphold Mrs N's complaint. I'll explain why.

Because Northridge supplied the car under a hire purchase agreement, it's responsible for a complaint about the quality, and there's an implied term that the car was of satisfactory quality. Cars are of satisfactory quality if they are of a standard that a reasonable person would expect, taking into account all of the relevant circumstances such as (amongst other things) the age and mileage of the car and the price paid. When considering satisfactory quality, I also need to look at whether the car is durable – that is, the components within the car must be durable and last a reasonable amount of time.

In this case, the car was about five and a half years old at the time and the mileage at the point of supply was 55,178. And the price was lower than that of a new car. So it's reasonable to expect that parts of the car would have suffered wear and tear, and that a car of this age would likely need repair and maintenance sooner than a newer car.

I've taken account of the relevant law, in particular the Consumer Rights Act 2015, ("CRA"). There are certain times, set out in the CRA, when a consumer is entitled to reject goods, in this case the car, if they don't conform to contract – a short term right to reject within 30 days of taking delivery, or a final right to reject if a repair or replacement hasn't resulted in the car subsequently conforming – that is, it then being of satisfactory quality.

Mrs N sent in copies of the finance agreement, and the independent report, along with Northridge's final response letter and screenshots showing various fault codes on the car's dashboard. Northridge did not provide any further information, but has recently confirmed that it refunded the full cost of repairs (£1,023) based on an invoice provided by Mrs N in October 2024.

I noted above the conclusions set out by the engineer in the independent inspection report carried out in November 2023. I appreciate that Mrs N is unhappy with the faults that have arisen, but I have placed most weight on this report as the engineer is independent of both parties.

The engineer noted the previous repairs to the DPF and throttle body, but there was no suggestion of any continuing issues with these components. He identified faults with the suspension and evidence of oil leaks, but said that in his opinion these faults would most likely be due to wear and deterioration. He went on to say that he *"would not consider that the faults were present at the point of vehicle purchase, as the faults would have revealed themselves earlier in its current ownership."* I note that the mileage had increased by 5,385 since Mrs N acquired the car.

The engineer also made a comment about the durability of the car, because of the amount of work needed in a reasonably short period of time, but said this was something for this service to consider.

As I explained above, I would expect the components within the car to be durable and last a reasonable amount of time. In the inspection report the engineer commented on the various components within the air suspension system, and the factors contributing to wear and tear. The expected lifespan of each component is likely to differ, and indeed the engineer noted with regard to the air suspension lifter units that deterioration is *"often present between 50,000 and 90,000 miles, although this is subject to many variables in service use and manufacturers tend not to provide data as to likely longevity"*.

Based on the engineer's comments and my own research, I'm not satisfied there's enough evidence for me to conclude that the relevant components hadn't lasted a reasonable amount of time, bearing in mind the age and mileage of the car. Having said that, I do accept that the engineer noted that further investigation under workshop conditions was needed to identify the root cause of the problems. But I've also kept in mind that Northridge offered a contribution to the cost of repairs and has told us that it has since funded these.

Taking all this into account, I accept that some issues – with the DPF and throttle body - arose very quickly after Mrs N acquired the car, but repairs to those were completed, and the independent engineer didn't suggest that those repairs had failed. The issues with the suspension and oil leaks were not considered by the independent engineer to have been present at the point of supply. The car was around five and a half years old when Mrs N acquired it, and had a mileage of 55,178 (and Mrs N had travelled another 5,385 miles by

the time of the inspection). So it's reasonable to expect some components to be nearing the end of their useful life due to normal wear and tear. And as I've explained, Northridge has contributed to the cost of repairs.

I understand that Mrs N feels strongly about this, but overall, it seems most likely that the issues with the suspension and oil leaks arose from reasonable wear and tear. So from the evidence I have, I can't fairly say the car wasn't of satisfactory quality at the point of supply, and therefore I can't fairly require Northridge to do more than it has. So I've decided not to uphold this complaint.

My final decision

For the reasons given above, I have decided not to uphold Mrs N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 9 January 2025.

Jan Ferrari
Ombudsman