

The complaint

Mr C has complained about the quality of a car provided on finance by N.I.I.B. Group Limited trading as Northridge Finance.

What happened

Both parties are familiar with the events, so I'll briefly summarise them here. Northridge supplied Mr C with a used car on a hire purchase agreement in July 2024. The cash price of the car was around £34,400 and it had covered around 60,000 miles since first registration in March 2020. The hire purchase agreement required payments of around £900 for 47 months, followed by a final repayment of around £910.

Mr C said that within the first day the car wouldn't start correctly. He said that a manufacturer approved garage had the car for over a month and couldn't find what had caused the issue. He contacted the selling dealer to make it aware. He said that the car had been supplied fitted with after-market parts and some of the wires had been cut. The car was recovered to the selling dealer, and he complained to Northridge in January 2025.

Northridge acknowledged that Mr C had been dealing with the selling dealer, and a manufacturer approved garage. But it said that a third party had introduced a ghost immobiliser which might have caused the problems, so it didn't accept liability. Northridge ultimately did not uphold the complaint and issued a final response on this basis in March 2025.

Mr C referred his complaint to the Financial Ombudsman and an investigator here looked at the complaint. He said that there wasn't sufficient evidence that there was a fault which made the car of unsatisfactory quality. He acknowledged that Mr C had confirmed repairs had now been carried out which cost around £5,000. He didn't recommend that Northridge needed to do anything further.

Mr C disagreed and in summary he said:

- He'd commissioned the installation of the ghost immobiliser on the same day he acquired the car. An aftermarket device was found present in the car which was a faulty ghost immobiliser. He said he was told that he might have issues in the future, but he thought that if they deleted the error, it would be all right, but it wasn't.
- The ghost immobiliser was in service mode when he gave the car to the manufacturer garage in December 2024, which meant it was like it was non-existent.
- There was already an immobiliser present in the car which caused the problems and the selling dealer should have ensured that it was removed.
- The manufacturer approved garage provided images of a component which was wired into the fuse box, which was not approved and it suspected there had been further tampering with the car.
- His receipt for the installation of the ghost immobiliser also confirmed that there was another aftermarket module which would cause problems.

- He needed assistance every week but luckily one of the engineers was nearby and he would come to start the car. He was busy with work and didn't expect the problems to be this big.
- He wanted to be re-imbursed for the repairs he had carried out, and repairs to the paintwork caused by bird lime while with the selling dealer.
- He had the same ghost immobiliser in another car, and all his family had the same and it never caused a problem.
- The manufacturer had no authority or knowledge about the ghost immobiliser, which was inactive when it inspected the car. He thought that the garage that installed the ghost immobiliser were more appropriate to look into it.

Mr C asked for the complaint to be reviewed by an ombudsman, so it's been passed to me.

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.

When considering what is, in my opinion, fair and reasonable, I take into account relevant law and regulations; regulator's rules, guidance, and standards; codes of practice; and what I believe to have been good industry practice at the relevant time.

I've read and considered the evidence submitted by both parties, but I'll focus my comments on what I think is relevant. If I don't comment on a specific point, it isn't because I haven't considered it, but because I don't think I need to comment in order to reach what I think is the right outcome. This is not intended as a discourtesy but reflects the informal nature of this service in resolving disputes.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Firstly, I am very sorry to hear about the difficulties Mr C has described to this service. I can't imagine how he must feel but thank him for bringing his complaint. I need to clarify that I'm only looking into a complaint about Northridge, rather than the other parties that have been involved here.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. Northridge is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory."

The CRA says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. In a case involving a car, the other relevant circumstances might include things like the age and mileage at the time of supply and the car's history.

The CRA says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

When Mr C acquired the car in July 2024 the mileage was around 60,000 and the cash price was around £34,400. The car was first registered in March 2020, so by this stage it was four years old. It wouldn't be unreasonable to expect the car to be showing some signs of wear and tear, and that might include the underlying components. There would be very different expectations of it than if it was a brand-new car. The price paid usually reflects the age and condition of the car.

As a starting point there would need to be some evidence of what the fault was. And secondly, that the fault renders the car of unsatisfactory quality.

I don't think it is in dispute that there is evidence that there were faults with the car. Both the manufacturer approved garage and Mr C's garage have confirmed this.

I can understand Mr C is disappointed the car had such problems, that weren't cheap or easy to rectify. He'd had the car for just over six months before he told Northridge that he was experiencing any issues. But what I have to bear in mind is that just because I've seen there are faults with the car that manifested within the first six months, this doesn't necessarily mean the car wasn't of satisfactory quality when it was supplied to Mr C – which is what I need to decide. I'd need to see sufficient evidence the fault made the car of unsatisfactory quality when it was supplied to Mr C.

When something goes wrong with a car it isn't automatically something that the finance provider is responsible for. Although Northridge were the supplier of the car under the agreement, it was not aware that Mr C was experiencing any issues until he contacted it in January 2025. Considering the description of the faults and the time that had elapsed since supply, unfortunately the onus was on Mr C to demonstrate that the car was inherently faulty.

The issues he experienced could be due to damage sustained during Mr C's possession of the car, or reasonably expected wear and tear, or even a failed repair, which wouldn't be Northridge's responsibility. Or it could point to a defect that was present at the point of supply.

I've not seen sufficient evidence to clearly say those faults made the car not of satisfactory quality. I've considered Mr C's testimony, the invoices, diagnostics, and emails, but I haven't seen anything else such as an independent report. His diagnostics are unfortunately inconclusive, as they don't give an opinion on what caused the issues, or rebut the conclusion of the manufacturer approved garage. I have to take into account that a third party installed a ghost immobiliser shortly after the car was supplied, and further work was conducted by the manufacturer approved garage who suspected that the installation of the ghost mobiliser may have led to the issues he experienced. I've no way of knowing what impact that had on the condition of the car.

I'm not saying something definitely didn't go wrong, merely that I don't think it would have been unreasonable for Northridge to have expected there to be more detailed supporting evidence for the faults and confirming that they were present or developing at the point of supply. It would be impossible for me to say now, even on the balance of probabilities, that the cause of the issues was more likely the aftermarket parts that were likely already fitted in the car.

During its investigation I can see that Northridge tried to make enquiries of the selling dealer who had been on notice slightly earlier. It did take into account information provided by the selling dealer, but it wasn't able to interrogate this or force it to provide more. Northridge isn't responsible for the selling dealer's actions after the agreement was entered into. I need to explain that our service is also reliant on the evidence put before us, we can't compel witnesses or marshal evidence in the same way a court can.

Mr C explained that he'd commissioned the installation of a ghost immobiliser just after the car was supplied. He said that at that point there were already concerns that an unusual part had been fitted and wires had been cut. I do understand his point here, but the difficulty is other parties have subsequently carried out work on the car which makes it difficult to conclude what caused the problem. Any modifications do come with an element of risk.

It's possible that Mr C could have demonstrated the car wasn't conforming to the contract he'd entered at the point of supply if he'd raised concerns before having the ghost immobiliser fitted. But Mr C didn't contact Northridge until January 2025 and by then it had lost the opportunity to prove otherwise. Ordinarily, Northridge could have arranged for an independent inspection of the car to take place, to help determine whether the parts had caused a problem. But by having the ghost immobiliser fitted, and later work carried out by the manufacturer approved garage, before notifying Northridge of his concerns, Mr C has deprived it of the opportunity to have the car inspected with the faults present. I also appreciate that Mr C might not have been fully aware of his rights, but that doesn't mean I can direct Northridge to do something when it wasn't aware of the issues he was experiencing.

I appreciate Mr C is unhappy he feels he's lost out. I'm sorry to disappoint Mr C, but without sufficient evidence of faults which made the car of unsatisfactory quality, I find I don't have the grounds to direct Northridge to do anything further.

Mr C doesn't need to accept my decision, and he'll be free to pursue the complaint by other means, such as through the court, after obtaining legal advice, as necessary.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 23 February 2026.

Caroline Kirby
Ombudsman