

## The complaint

Mr D complains that the vehicle he acquired through N.I.I.B. Group Limited trading as Northridge Finance (“Northridge”) wasn’t of satisfactory quality. He wants Northridge to cover the costs of repair.

## What happened

Mr D entered into a hire purchase agreement in May 2025 to acquire a used vehicle. The cash price of the vehicle was £23,988, and after taking account of Mr D’s advance payment, the credit provided was £19,990 and was to be repaid through the credit agreement which was set up over a term of 60 months. Mr D’s monthly payments were £446.61, resulting in the total repayable under the agreement, if it ran to term, being £30,804.60. At the point of supply, the vehicle was around four years old, and had been driven more than 81,000 miles.

Mr D told us:

- He’d reported faults with the vehicle to Northridge, but it hadn’t helped him, and the vehicle is still faulty;
- There are problems with the alternator, the fan belt, and the drive shaft, and he’s not been able to drive it as he’s been told it’s not safe to do so;
- he’s been quoted repair costs of £1,700 for the drive shafts with labour, and a further £1,400 for the alternator and belts;
- he wants Northridge to repair the vehicle.

Northridge says it upheld Mr D’s complaint. In its first *final response letter* it said the supplying dealership had agreed to repairs at a garage local to Mr D, and it had said it would cover the full costs.

Following further correspondence with Mr D, Northridge issued a second *final response letter*. In this, it continued to uphold Mr D’s complaint. It noted that when Mr D first said he’d like to reject the vehicle, it had started making arrangements with the supplying dealership to facilitate this. But it noted that Mr D had subsequently changed his mind and asked the supplying dealership to complete repairs. There were then some issues with warranties, so Northridge set out two options for Mr D to consider, both of which it said were fair and reasonable, and both of which it was willing to support.

Northridge (and the supplying dealership) gave Mr D two options that it would support:

1. The supplying dealership collects the vehicle and provides a courtesy vehicle whilst it undertakes the relevant repairs. And it said taking account of the distance the vehicle would be driven to/from the location for repairs, if the vehicle were subsequently rejected because the repairs failed, or because further faults arose, then it would make a deduction in respect of this repair-related mileage; or
2. Reject the vehicle now with the usual mileage deductions for usage from the point of supply to the point of rejection.

Northridge told this Service that both options were available to Mr D and were fair and reasonable in the circumstances.

Unhappy with its response, Mr D brought his complaint to this Service. He says he wants the vehicle repaired but is unhappy with the quality of the proposed replacement parts.

Our Investigator looked at this complaint and said that he didn't think it should be upheld. He explained the relevance of the Consumer Rights Act 2015 ("CRA") in the circumstances of this complaint and concluded that both the offers made by Northridge were fair and reasonable.

Our Investigator explained that Mr D could only expect "*like for like*" replacement parts; the vehicle had been driven more than 81,000 miles, so he couldn't expect Northridge or the supplying dealership to complete repairs using brand new parts from the manufacturer. Our Investigator reassured Mr D that although the parts would not be new, they'd need to resolve the faults. He explained that if the faults remained after the repairs had been completed, or if the repairs themselves subsequently failed, then Mr D would be able to reject the vehicle, and he set out what Mr D could expect from Northridge in terms of a future rejection.

Mr D disagrees so the complaint comes to me to decide.

### **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 considered all the evidence and testimony afresh, I've reached the same conclusion as our Investigator and for broadly the same reasons. I'll explain why.

The credit agreement entered into by Mr D is a regulated consumer credit agreement which means that this Service is able to consider complaints relating to it. Northridge is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

The Consumer Rights Act 2015 ("CRA") is relevant 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".

To be considered "satisfactory" the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and other relevant factors. Those factors, in the case of a vehicle purchase, will include things like the age and mileage of the vehicle at the time of sale, and the vehicle's history.

The quality of the goods includes their general condition and other things like their fitness for purpose, appearance and finish, safety and durability.

In this particular case, there's no dispute about the existence of the problems with the vehicle that Mr D has experienced. The faults appear to be present, and Northridge seems to accept this too. So, I don't need to make a finding about whether the vehicle has current faults, or whether the existence of these faults makes the vehicle to have been of unsatisfactory quality at the point of supply.

This decision will therefore focus on whether Northridge's approach to putting things right is fair and reasonable. Having considered everything very carefully, I'm satisfied that what

Northridge proposes – the two options it has presented to Mr D – are appropriate in the circumstances, and I do not uphold Mr D’s complaint.

### *Repairs*

If Mr D chooses to have the vehicle repaired, then these should be completed at no cost to him. And Mr D should either be kept mobile whilst he is without the vehicle, or he can be refunded some of his monthly rentals instead, if this is not the case.

I’ve considered Mr D’s point about the quality and source of the replacement parts but it’s not appropriate for him to insist on brand new, manufacturer-issued parts. Mr D’s vehicle has been driven more than 81,000 miles, and it would be disproportionate to repair the vehicle with brand new parts.

I understand Mr D’s concerns about not using new parts for the repairs, but he should note that if the parts are sub-standard *and* the repairs fail because of this, then Mr D would be able to bring a complaint, with the relevant supporting evidence to Northridge. In these circumstances, most business would *consider* accepting the rejection of the vehicle.

### *Rejection*

If Mr D chooses to reject the vehicle, then this Service has an approach that we’d typically expect businesses to follow. In these circumstances, we’d expect Northridge to:

- end the credit agreement and remove any adverse information from the customer’s credit file in relation to the credit agreement;
- arrange collection of the vehicle;
- refund the customer’s deposit and pay statutory interest at 8% (simple);
- make a deduction for fair usage, or the mileage driven since supply.

I can see Northridge has incorporated all of these things when it gave its final response to Mr D’s complaint. So I don’t think it needs to do anything else. Its two options are fair and reasonable in the circumstances, and all that remains is for Mr D to tell Northridge which of the two options he wishes to take.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr D to accept or reject my decision before 6 May 2026.

Andrew Macnamara  
**Ombudsman**