

The complaint

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

What happened

Northridge supplied Mr R with a new car on a hire purchase agreement in March 2023. The cash price of the car was around £54,800. The hire purchase agreement required payments of around £500 for 47 months followed by a final payment of around £32,200. A deposit of around £12,000 was paid.

Mr R said that between July and October 2024 he took the car to a manufacturer franchise garage who I'll call J, due to concerns about noise issues. But no faults were identified. He'd chosen to take the car to J because the branch of the franchise dealer where he acquired the car had closed.

During a service in October 2024 a split was found in the OSF CV boot. He was told parts would be ordered but he said J told him he could continue to drive the car. He said there were multiple follow up calls and there were continued delays. He escalated the matter to the Motor Ombudsman, the manufacturer, J, and the selling dealer, and eventually got an appointment on 24 December 2024.

At this appointment Mr R said he was told that the part hadn't arrived, but also additional drive shaft damage had been discovered. Mr R tried to resolve things with J, he expressed concerns that the CV joint would fail completely while he was waiting for repairs, causing the axle to break. He said he was worried about unsafe driving conditions and his young family. He complained to J raising concerns that the drive shaft might have suffered damage in the delay for repairs.

Mr R complained to Northridge in January 2025, but he continued to communicate with J, the manufacturer and selling dealer.

On 6 February 2025 Mr R contacted Northridge, and the selling dealer, and asked to reject the car. The mileage at this point was around 24,800. A further repair was attempted in February 2025, but Mr R said the issue remained and he wasn't given any evidence of what was repaired.

Mr R said that he had been denied the opportunity to get the repairs done under warranty, which was grounds for rejection. J said it was willing to investigate the issues, but Mr R said he wanted to reject the car stating that he'd given ample opportunity for J over nine visits and the remedies were ineffective.

Northridge issued its final response in March 2025. It said that the selling dealer hadn't seen the car since it was supplied. It said Mr R had chosen to go to another garage. It said it needed some independent evidence that the fault was due to a manufacturing defect. Ultimately it didn't uphold the complaint.

Mr R referred his complaint to the Financial Ombudsman. He paused his case with the Motor Ombudsman. He added that he'd experienced noises with the car as early as July 2023 and he'd first reported issues within four months of acquiring the car. He said that he was still driving the car and now it was showing signs of other issues.

An investigator here looked at the complaint, he said that he couldn't determine that there was an inherent fault as it might have been caused by something other than a manufacturing defect. But he said that J had accepted a repair but hadn't been able to complete it, so Mr R was entitled to reject the car.

Mr R agreed with our investigator, but Northridge didn't. It said that the car had covered around 28,000 miles which was evidence that it was fit for purpose. It accepted that there were some concerns with the car, but these were dealt with under warranty by a third party which wasn't the supplying dealer.

The complaint was passed to me to make a decision. I issued a provisional decision which said:

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'd like to say I'm sorry about the difficulties Mr R has described to this service. I also need to explain my role is to look into the complaint against the finance provider and not any of 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, and safety.

Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long will also depend on a number of factors.

The car was new when supplied and the cash price was around £54,800. So, I think it's fair

to say that a reasonable person would have expected the quality to be high, and that the car wouldn't have had any major problems for quite some time.

Based on the diagnostic report Mr R has provided from December 2024, he was able to cover around 28,000 miles from when the car was supplied in a period of around 21 months, before the fault was diagnosed by J.

Although Northridge were the supplier of the car under the agreement, it was not aware that Mr R was experiencing any issues until he contacted it in January 2025. Northridge is not responsible for the actions of J or other manufacturer franchisees in this case. Considering the description of the faults, the time that had elapsed since supply, and the mileage covered while the car was in Mr R's possession, unfortunately the onus was on Mr R to demonstrate that the car was inherently faulty.

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.

Based on what I've seen, I'm satisfied that the car has a fault. I think all the parties agree with this. This is evidenced by the diagnostic reports and the breakdown reports. The reports indicate that the OSF CV boot has split and there is also damage caused to the drive shaft. I can understand Mr R is disappointed the car had such a significant problem, and he's struggled with delays and potentially failed repairs. 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 two years, this doesn't necessarily mean the car wasn't of satisfactory quality when it was supplied to Mr R – 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 R.

When something goes wrong with a car it isn't automatically something that the finance provider is responsible for. Sometimes the underlying components of a car suffer wear and tear, or damage, which might mean that they come to the end of their serviceable lifespan during the course of a finance agreement.

The issue with the CV boot could be due to damage sustained during Mr R's possession of the car, 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. It hasn't yet been established what was wrong which meant it needed those repairs.

I've not seen sufficient evidence to clearly say those faults made the car not of satisfactory quality. I've considered Mr R's testimony, the emails, breakdown reports, and diagnostic reports but I haven't seen anything else such as an independent report. The diagnostic from J is unfortunately inconclusive, as it doesn't give an opinion on what caused the issue. The difficulty here is that we don't know what caused the CV boot to split. The main function is to keep lubricating grease in and contaminants out. Even a small split can lead the CV joint failing completely, if it isn't addressed promptly. This appears to be at the heart of what has caused the later issues as the diagnostic said that the grease had bled out and because of that it led to damage to the joint. It's not possible to say what caused the CV boot to split or tear based on the evidence I have. This part is exposed to a variety of temperatures, road debris, driving style and conditions. Although it's designed to last a long time exactly how long is dependent on these factors. I have to take into account the car had driven around 28,000 miles before the issue was diagnosed. I don't think the car would have been able to do that if it wasn't of satisfactory quality when it was supplied.

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, or that the car wasn't sufficiently durable. It isn't possible for me to say with the evidence before me, even on the balance of probabilities, that there was an inherent fault or that the car wasn't sufficiently durable.

Mr R is clearly unhappy with the service he's received from J. But Northridge isn't responsible for the service he received from the manufacturer or any of its franchisees. Northridge also isn't responsible if the manufacturer franchise advised Mr R to continue driving the car and this caused further damage. I can't hold it responsible for repairs (that it didn't commission) which might have failed, or delays in attempting repairs.

I understand that Mr R has also said that the issues started much earlier than October 2024. But I don't have sufficient evidence to link the earlier noise problems that he said he experienced with the CV boot split. He's supplied evidence that he had multiple call outs for the breakdown service. But the evidence he's supplied so far only shows the call out and doesn't show what was found when the recovery agent attended. He's also said he's now experiencing other problems, so I'd encourage him to seek independent expert mechanical advice. Our investigator can give him details of how to find a suitable independent expert.

I can see that Northridge engaged with the complaint and contacted the parties that had been involved in setting up the agreement, who told it that they hadn't seen the car since it was supplied. But ultimately the answer that it gave was reasonable. Northridge couldn't compel other parties that might have seen the car to provide evidence. Similarly, our service isn't able to compel witnesses or marshal evidence in the way a court does. Mr R needed to provide some independent evidence that the car was inherently faulty. As he's not been able to do that, I can't say that Northridge's answer was unfair.

Clearly there is a fault with the car, and potentially there might be some impact due to continuing to drive it. He might be able to work with the manufacturer to find a solution through the warranty. I understand he's also contacted the Motor Ombudsman about the service that he received from J. That isn't something that I can consider as part of my decision as I'm only looking directly at what Northridge are responsible for.

Mr R said that being denied an opportunity to get a repair under warranty would be grounds for rejection. But a breach of the warranty isn't the same as a breach of the supply of goods contract. Mr R might well have reason to complain about the handling of a warranty repair, but that's not something that I can hold Northridge responsible for considering the individual circumstances of this case. It seems that J was willing to make the repair, but Mr R wasn't willing considering what had already happened. I make no finding on his actions as I know that he's had a lot to deal with.

I know that this will be extremely disappointing for Mr R to find that he has a problem with the car that might not be cheap or easy to rectify. But I don't yet find I have the grounds to direct Northridge to allow him to reject the car.

But should Mr R obtain independent expert evidence which is able to confirm that the OSF CV boot was inherently faulty he'll be able to supply this to Northridge for it to consider afresh. I'm not asking him to get that evidence for me to consider, as I'm required primarily to look up to the point of the final response, and any new material evidence hasn't been presented to Northridge.

In addition, should the cause of any damage be attributed to the involvement of a third party he might need to seek the necessary legal advice as to how to seek redress from that third party. And finally, I need to point out that he doesn't need to accept my decision, then he'll be free to take the matter to court after getting legal advice, as necessary.

Northridge responded to the provisional decision. It supplied comments from the selling dealer which I've summarised here:

- The car was sold as new in March 2023; and it hadn't seen the car since it was sold so the selling retailer had not had an opportunity to address the concerns.
- The car had been taken to J which is nearer to Mr R's home address.
- Given the mileage accrued and the time that has passed since Mr R acquired the car, it said it failed to see there is a case to answer, even through the ombudsman's durability lens.

Mr R disagreed with the provisional decision, and in summary he said:

- He'd complained to Northridge in 2023 and 2024, and it was fully aware of the car's persistent faults, and it had failed to take appropriate action or accept responsibility.
- He had a finance agreement with Northridge, and the car was demonstrably faulty with persistent unresolved issues. Under the CRA he shouldn't be obligated to continue making payments for a car that is not fit for purpose even though it is under warranty. The credit provider bears joint and several liability with the supplier under Section 75 of The Consumer Credit Act 1974 (Section 75) for breaches of contract including the supply of defective goods.
- In November 2025 he'd contacted the breakdown service again due to the persistent noise caused by the unrepaired CV boot split. On 14 November 2025 the engineer identified several serious issues, the engine was not starting and kept cutting out.
- For a car that was just over two years old these problems constituted a breach of his statutory rights under the CRA. The car had recurring faults since 2023 indicating it was not of satisfactory quality at the point of sale. Repeated failures, extensive delays in repairs and the current unsafe condition represents a fundamental breach of contract.
- The lack of care and attention from the dealership and breakdown service had left him with nowhere to turn. He felt unsafe driving the car with his young family and worried about their safety. The car vibrates and shakes, and he had no control over it which is a serious safety concern that has been ignored for far too long. This renders the car unfit for its intended purpose.
- He said he was entitled to a repair within a reasonable amount of time and without significant inconvenience or alternatively a replacement car or full refund. The delays and ongoing safety issues constitutes significant inconvenience and have left him without use of a safe reliable car. Given the circumstances and the car's value over £65,000 he is seeking to reject the car and get a full refund. The manufacturer had directed him to pursue the matter through who he acquired the car from.

As both parties have responded, I'll now go on to make my final 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.

I've summarised Mr R's comments in response to the provisional decision, but I want him to know that I've carefully considered all the points he made and the evidence he provided. However, he's repeated and reiterated a number of points that he made previously, which I addressed in my provisional decision. He's not provided any new material evidence for me to consider. So, I don't intend to address the same points again. Instead, I've tried to concisely explain why the additional comments and evidence I've received since I issued my provisional decision haven't changed my mind.

As I explained in my provisional decision Northridge is the supplier of the car because Mr R entered into a hire purchase agreement to acquire it. So, this makes Northridge liable for a complaint about the quality of the car. Section 75 isn't relevant to this complaint in the particular circumstances of this case.

I don't find I need to provide detailed commentary to the selling dealer here, as I'm not dealing with a complaint about it. But although I understand why Northridge passed on its comments I can't dismiss Mr R's complaint out of hand, and I find that I can consider a complaint about whether the car was durable, as that is relevant to considering whether it was of satisfactory quality.

Mr R needed to demonstrate that a fault that made the car not of satisfactory quality was present when the car was supplied to him. Northridge isn't automatically responsible when there are problems with the car. Clearly there is something wrong with the car, but the difficulty in this case is that the cause of the fault hasn't been established, and the onus was on Mr R to show that the faults were present or developing when the car was supplied, or due to a lack of durability.

I can understand Mr R's concerns about repairs not being completed. But Northridge isn't responsible for the service provided by J. It would be responsible for ensuring that a repair was completed in a reasonable amount of time and without significant inconvenience, but only if the fault stemmed from the car not being of satisfactory quality at supply. In the interests of ensuring his own safety I would encourage him to seek independent expert engineering advice. I'm not able to clarify who should be liable, because the cause of the fault hasn't yet been established.

Mr R's comments and the evidence he's supplied in response to my provisional decision haven't been able to persuade me that, on balance, it is more likely that the car wasn't of satisfactory quality when it was supplied.

The time that had elapsed before the issue was reported, the distance covered by the car and the inconclusive findings of the experts who saw the car, mean that it's difficult for me as an independent party to reach a different conclusion.

I'm sorry to disappoint Mr R but I can't conclude that the car wasn't of satisfactory quality when it was supplied. So, I'm not directing Northridge to do anything to resolve this complaint.

Mr R doesn't need to accept my decision, and then he'll be free to take the matter to court, after taking 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 R to accept or

reject my decision before 18 December 2025.

Caroline Kirby
Ombudsman