

## **The complaint**

Mr Y complains about the quality of a car supplied to him by N.I.I.B. Group Limited trading as Northridge Finance (“Northridge”).

## **What happened**

Mr Y entered into a hire purchase agreement in April 2025 with Northridge for the supply of a used car. The car was around four years old and had covered approaching 58,000 miles when supplied. Shortly afterwards, in either late April or early May 2025, he reported a problem to the supplying dealership. After a short delay in being able to book the car into the supplying dealership followed by Mr Y going on holiday, the car was examined in June 2025, and they said the car needed a completely new gearbox.

Mr Y authorised these repairs, but the part had to be ordered and was delayed. He was supplied with a courtesy car, and several weeks later in late July 2025 the repairs were completed. Meanwhile Mr Y had asked to reject the car earlier in July 2025.

The car was given back to Mr Y, but he confirmed in August 2025 he still wanted to reject it due to the length of time it had taken to repair. He complained to Northridge, and they issued their final response letter (FRL) in September 2025. This response said the repairs had been carried out as quickly as they could have been, and they sent him a payment of £150 for distress and inconvenience, despite not upholding his complaint.

Mr Y brought his complaint to our service, and an Investigator upheld it but didn’t agree he should be able to reject the car. They said repairs were a fair outcome, but that he should get some refunds of monthly payments for the period before he was provided a courtesy car, and a partial refund when he had a courtesy car as he said this courtesy car was smaller and didn’t meet his family needs. They also said the distress and inconvenience payment should be increased by a further £100.

Northridge don’t appear to have responded to this opinion at all, but Mr Y did and didn’t agree. He said he felt his consumer rights gave him the opportunity to reject the car, he’d lost confidence in it, so he still wanted to reject it. The case has therefore come for a final Ombudsman 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.

Having done so, I’ve reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I’ve reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I’ve had regard to the relevant law and regulations; any

regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr Y was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Northridge are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history and its durability. Durability means that the components of the car must last a reasonable amount of time.

So, if I thought the car was faulty when Mr Y took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Northridge to put this right.

Mr Y's remaining key point that he doesn't agree with is that he believes he should have the right to reject the car and not have to accept it back after repairs. I'm afraid I don't agree with him, and I'll explain why.

All parties have accepted that the fault makes the car of unsatisfactory quality, and I agree with this. The fault has presented with the car within 30 days, which would potentially give Mr Y the short term right to reject under the CRA. However, he didn't ask to reject the car until later on, and initially accepted repairs. He feels that delays with the repairs should mean he still had the right to reject, but I'm afraid I don't agree.

I would accept this is a judgement and an opinion, but in these circumstances, that is all I can do and try to be fair to all parties. There were some delays, but I'm not persuaded the delays were excessive and mean he should then have had the right to change his mind and reject the car.

I'm also satisfied that the delays appear to have been simply due to a delay in being able to secure the required parts to carry out the repairs and weren't due to any poor service or delays by Northridge or the supplying dealership. The gearbox has also been replaced with a new part, not a refurbished one, and it appears the repair was carried out by the car's manufacturer dealership.

Most importantly, I've considered how long these delays lasted, and while they were clearly not ideal, it was in reality a few weeks, the part arrived, the car was repaired and was ready to return to him. Overall, I feel this is the fairest outcome here.

I'd also highlight that if the car was unsatisfactory quality, and delays in recognising this had caused the problems here, I might agree with Mr Y having the right to reject the car. But once the car was seen by the supplying dealership, they immediately accepted the car wasn't of satisfactory quality and set about arranging repairs for it. It was only around another month after this when the repairs hadn't been completed that Mr Y asked to reject the car, and then only another couple of weeks before the repairs were done.

I'm not persuaded that this means Mr Y still had the short term right to reject the car, and I am satisfied that he was fairly provided a repair, another suitable remedy under the CRA.

He's mentioned having lost confidence in the car, and I can empathise with this, but the law doesn't specify this as a reason a consumer can reject a car. Northridge have now had their one permitted opportunity to repair the car, so I hope Mr Y can take confidence from the fact

that if there is a further issue which leaves the car of unsatisfactory quality, he would be able to ask to reject it then, without having to let Northridge repair the car again.

Having said all this, I do think Northridge should have done more to fairly compensate him and agree with the conclusions reached by the Investigator with regards to this.

He couldn't use the car at all from 21 April 2025 until 16 June 2025 when the car was returned to the supplying dealership for repairs, so he should be refunded his payments in full for this period.

When he returned from holiday (during which time Mr Y didn't need a car), the supplying dealer provided him with a courtesy car from 24 June 2025 to 30 July 2025. This car was smaller than his own car which caused some issues due to the number of seats he needed for his family. Having considered the details provided to us, I agree with the Investigator that for this period, he should be refunded 20% of his payments.

Additionally, the investigator felt that a payment already made of £150 for the distress and inconvenience caused wasn't enough and recommended an additional £100 on top of this. I think this more fairly reflects the distress and inconvenience caused here, so also agree with this.

### **Putting things right**

I instruct Northridge to carry out the following to put things right:

- Refund Mr Y all of his monthly payments' pro rata for the period 21 April 2025 to 16 June 2025.
- Refund Mr Y 20% of his monthly payments' pro rata for the period 24 June 2025 to 30 July 2025.
- Pay 8% simple yearly interest to these refunded amounts from the date of payment to the date of settlement.
- Pay an additional £100 (taking the total to £250) for the distress and inconvenience caused to Mr Y from the supply of a car that wasn't of satisfactory quality.

### **My final decision**

I am upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 21 May 2026.

Paul Cronin  
**Ombudsman**