

The complaint

Miss H is unhappy that a car supplied to her under a hire purchase agreement with N.I.I.B. Group Limited trading as Northridge Finance ('Northridge') was of an unsatisfactory quality.

What happened

In September 2023, Miss H was supplied with a used car through a hire purchase agreement with Northridge. She paid an advance payment of £3,000 and the agreement was for £8,294 over 54 months; with 53 monthly payments of £200.18 and a final payment of £210.18. At the time of supply, the car was around five and a half years old and had done 56,924 miles (according to the MOT record for 18 September 2023).

Miss H had some problems with the car, relating to excessive oil consumption, warning lights, brakes, and the windscreen wipers. She first contacted the supplying dealership about this in March 2024, and they asked her to bring the car in for inspection. However, this inspection didn't take place until October 2024, at which point the car had done 65,979 miles – around 9,000 miles since being supplied to Miss H.

This inspection didn't find any fault with the windscreen wipers and found the battery health to be 75%. The oil was also topped up for an oil consumption test, and Miss H was told to return after doing a further 600 miles. Miss H took the car back on 21 November 2024 – 1,734 miles after the previous inspection. Faults were found with a voltage maintaining device and a parking sensor, and the oil was topped up. However, this diagnostic didn't find the oil consumption had been excessive.

Miss H took the car back to the dealership on 12 December 2024, when the car had done a further 689 miles. The dealership thought that the oil consumption was excessive, and recommended repairs. However, Miss H didn't agree to have these repairs done, but she agreed to return the car for further diagnostics on the electrical faults. The car was returned to the dealership on 3 January 2025 where an investigation into the brakes and windscreen wipers couldn't identify any faults.

The car developed a misfire, and Miss H stopped using it on 1 June 2025. After receiving a complaint from Miss H, Northridge said there was no evidence the faults with the car occurred within the first six months of ownership, so they didn't uphold her complaint. Unhappy with this response, Miss H brought the matter to the Financial Ombudsman Service for investigation.

The car was inspected by an independent engineer on 8 October 2025. The engineer found the car was misfiring, which could potentially be as a result of the oil consumption. However, the engineer found no other faults with the car. And they said that, due to the time and mileage, *"it is unlikely that the faults were developing at the point of sale."*

Our investigator didn't think the faults with the car were present or developing at the point of supply, so they didn't think Northridge needed to do anything more. Miss H disagreed with the investigator's opinion. She said the faults with the car developed within the first six months, but the dealership couldn't inspect the car until October 2024. So, she didn't think it

was fair she was now liable for the repair costs of the car. She also provided evidence that she'd purchased oil for the car five times between January and September 2024.

As Miss H didn't agree, this matter has been passed 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 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, my decision is based on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

My role is to decide what's fair and reasonable 'in the round', in line with our service's remit. When considering matters, 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. When reaching a decision on what's a fair way to resolve this complaint, I don't have to reach the same view as, for example, a court might reach when considering a breach of contract or misrepresentation.

Miss H 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.

The CRA also implies that goods must conform to contract within the first six months. Where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Northridge can show otherwise. So, if I thought the car was faulty when Miss H took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Northridge to put this right.

Based on the evidence I've seen, I'm satisfied that Miss H first contacted the dealership about problems with the car within six months of supply, albeit within a few weeks before this six-month period expired. So, as I've said above, any faults were presumed to have been present when the car was supplied – unless there is evidence to show otherwise.

Miss H initially complained about issues with the oil consumption, warning lights, brakes, and windscreen wipers. I've not seen anything that shows me Miss H complained about the misfire within the first six months – this was a fault that developed later, so the CRA implies it's for her to show it was present when the car was supplied.

While there is no evidence of any issues with the brakes or windscreen wipers, based on what I've seen I'm satisfied that Miss H needs to regularly top up the oil in the car. The manufacturer's guidelines are that the oil in the car should be checked every 500 to 1,000 miles, and that the car is expected to use up to 1 litre every 1,000km (around 620 miles).

Based on the mileage record I've seen; I'm satisfied the car covered just over 17,000 miles between supply and when Miss H stopped using the car on 1 June 2025. Given this, Miss H could be expected to have to put up to 27 litres of oil in the car. Miss H has shown she's purchased 16 litres of oil between January and September 2024. Projecting this forward, this would mean that Miss H would've likely have put 30 litres of oil in the car between supply and when she stopped using it.

While Miss H may consider this to be excessive, the car has an engine that's known for a high oil consumption. And, as with all engines, the more wear due to mileage, the more oil that will be consumed. So, given the high mileage of the car, I don't consider the likely use of 30 litres of oil in a period where expected use could be up to 27 litres to be so excessive that it satisfies me the car was faulty when it was supplied.

Turning now to the independent engineer's report. The independent engineer concluded that the issues with the brakes and windscreen wipers couldn't be replicated, and that the car was suffering from a misfire. However, the engineer also concluded that the misfire wasn't present or developing when the car was supplied and, as such, is not Northridge's responsibility. I've also noted that the engineer confirmed their duty is to the courts, not to the person who instructed or paid for the report. As such, I'm satisfied this report is reasonable to rely upon.

Given the above, and while I appreciate this will come as a disappointment to Miss H, I'm not satisfied there are faults with the car that were present or developing when it was supplied to her. As such, I won't be asking Northridge to do anything more.

My final decision

For the reasons explained, I don't uphold Miss H's complaint about N.I.I.B. Group Limited trading as Northridge Finance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 13 May 2026.

Andrew Burford
Ombudsman