

complaint

Mr M complains about the amount he has to pay under his finance agreement with N.I.I.B Group Limited (trading as Northbridge Finance). He also questioned whether N.I.I.B Group Limited (trading as Northbridge Finance) could repossess his car without a court order.

background

Mr M entered into a finance agreement with Northbridge in 2011. It provided for repayments over 48 months until 2015. However Mr M stopped making regular payments due to loss of work. He made occasional payments when he could. As he had paid more than a third of the value he didn't think the car could be repossessed. He felt the amount he was now required to pay wasn't fair. He hadn't had independent advice when the agreement was taken out and never spoke to Northbridge at the time.

Northbridge said it was an intermediary that arranged finance. It wasn't party to discussions at the time the car was acquired and couldn't be responsible for them. It had no record of any complaint from Mr M until late 2017. Mr M had failed to make required payments but continued to enjoy the car. It said it had no option than to terminate his agreement in autumn 2017.

The investigator said Mr M took out the agreement in 2011. The amount owed was calculated assuming Mr M kept up his payments during the term of the agreement. However Mr M had missed payments and the agreement allowed for interest and administrative charges to be made. He thought Northbridge had acted fairly. If Mr M was in financial difficulties he needed to tell them.

Mr A didn't agree.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can see that Mr M has experienced financial difficulties and been unable to maintain his car payments. In those circumstances I would expect Mr M to tell Northridge this was the case and that they would act in a positive and sympathetic manner in response.

I can see from the business notes that Mr M first notified Northridge of his financial difficulties in late 2014. I can see that in the period since then he was given 30 days breathing space on more than one occasion, signposted to debt charities on several occasions and several income and expenditure forms were sent out and payment plans proposed. Northridge have said they didn't apply any late payment charges and nor do they seem to have applied interest for late payment. Mr M considered selling the car on a number of occasions. It seems that there has been a regular dialogue between Mr M and Northridge. I think there is reasonable evidence to show Northridge had been positive and sympathetic in the light of Mr M's financial difficulties. So I don't think Northridge has done anything wrong.

Mr M complains he wasn't given independent advice before entering into the agreement. But there isn't a requirement for this only that the finance agreement is explained to him. He

hasn't suggested it wasn't explained and he seems to understand his rights particularly around repossession of the car.

As Mr M says there are legal requirements that would apply if Northridge wanted to enter his premises to recover the car.

So I don't think Northridge had done anything wrong and I don't uphold this complaint.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 April 2018.

Colette Bewley
ombudsman