

## **The complaint**

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

Mr W is being assisted in bringing this complaint by his partner. But for ease of reading I’ll refer to any actions or submissions by Mr W’s partner as being from Mr W.

## **What happened**

In February 2023 Mr W entered into an agreement with Northridge for a two and half year old car with 18,653 miles on the odometer at a cost of £25,797.00. Under the terms of the agreement, everything else being equal, Mr W undertook to make an advance payment of £5,000.00 followed by 48 monthly payments of £393.03 and 1 monthly payment of £8,977.50 making a total repayable of £32,842.94 at an APR of 11.9%.

On 15 May 2023 the car was inspected following a complaint by Mr W about its performance. The car was returned to Mr W the same day under the advice that a new part was needed which would have to be fitted at a future date.

On 16 May 2023 the car lost power.

On 17 May 2023 the car was taken for inspection and repair, being returned to Mr W a few days later on the advice that the spark plugs had been replaced.

On 22 May 2023 the car lost power.

On, or shortly after, 22 May 2023 the car was taken for inspection and repair, being returned to Mr W sometime later on the advice that the fuel injectors had been replaced.

In August 2023, after Mr W had complained to it about being supplied with a car that was of unsatisfactory quality, Northridge issued Mr W with a final response letter (“FRL”). Under cover of this FRL Northridge said that it was pleased to note that the car had now been repaired and to say that it had credited Mr W’s bank account with £100 for any trouble and upset he had been caused.

In September 2023, and unhappy with Northridge's FRL, Mr W referred his complaint to our service.

Mr W's complaint was considered by one of our investigators who came to the view that Northridge should pay Mr W a further £100 for the distress and inconvenience he had been caused and that it should compensate him for any days that he didn't have a courtesy car whilst his was being inspected and/or repaired.

Mr W ultimately accepted the investigator's view but Northridge neither accepted it nor rejected it. And because of the latter Mr W's complaint has been passed to me for review and 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'm very aware that I've summarised this complaint above in far less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

I would also like to make clear that I'm only considering in this decision Mr W's complaint that as a result of inspections and/or repairs undertaken in, or shortly after, May 2023 he was supplied with a car that was of unsatisfactory quality, not any other complaint he might have against Northridge.

It doesn't appear to be in dispute that Mr W was supplied with a car that was of unsatisfactory quality, that no faults with the car arose for a year or more after the last inspection and repair and that Mr W consented to all the inspections and repairs being undertaken – removing his right to be able to reject the car. But for the avoidance of doubt and for the sake of completeness I would like to make clear to both Mr W and Northridge that I agree the above to be the case and for the same reasons as explained by the investigator in their view, reasons I'm satisfied I don't need to repeat here.

So what is ultimately left for me to decide is whether Northridge should have to do, to fairly and reasonably compensate Mr W, what the investigator recommended it should have to do.

I accept that as a result of the car underperforming, it losing power on two separate occasions and it requiring three separate visits for inspection and/or repair, Mr W suffered both distress and inconvenience for which he should be fairly and reasonably compensated for. But taking everything into account (including how quickly the car was ultimately repaired and successfully so) I think £200 – in total – represents an appropriate sum for Northridge to have to pay Mr W in this respect.

It's not particularly clear, but I accept that there might have been one or more periods of time (exceeding 24 hours) that Mr W didn't have a courtesy car whilst his was being inspected and/or repaired and he should be compensated for this also. And for each period of 24 hours this was the case I'm satisfied that it's only fair and reasonable that Northridge pay Mr W £13.10 representing 1/30<sup>th</sup> of the monthly agreement payment of £393.03.

## **My final decision**

My final decision is that N.I.I.B. Group Limited trading as Northridge Finance must:

- pay Mr W a further £100 for the distress and inconvenience this whole matter has caused him, bringing the total payable/paid in this respect to £200
- pay Mr W £13.10 for each period of 24 hours he didn't have a courtesy car whilst his was being inspected and/or repaired.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 17 December 2024.

Peter Cook  
**Ombudsman**