

## **The complaint**

Mrs O complained that Oodle Financial Services Limited (“Oodle”) continued to send her arrears communication when they shouldn’t have.

## **What happened**

Mrs O referred a complaint to us along with her representative. As the complainant is Mrs O, for ease, I have addressed my decision to her only throughout, when referring to what she and her representative have told us.

Similarly, at times, a third-party company acted on behalf of Oodle when communicating with Mrs O. For ease, I will refer to Oodle throughout when referring to the actions of Oodle or the third-party company acting on behalf of them.

Mrs O acquired a used car by entering into a Hire Purchase Agreement with Oodle in August 2018. Mrs O said she later entered into an Individual Voluntary Arrangement (“IVA”).

Mrs O said the agreement with Oodle was voluntarily surrendered in July 2019 and the car was returned. Mrs O’s IVA was then amended to include this specific debt and Oodle were later approved as a creditor. This meant that payments for any arrears would have reached Oodle directly from Mrs O’s IVA company and practitioner.

Mrs O said that her IVA was successfully completed in January 2022 and she believed the dividends had been submitted to the relevant creditors, including Oodle.

A Notice Of Sums Arrears was sent to Mrs O in March 2022. Mrs O said she found this very upsetting as she understood her IVA to have been settled and didn’t believe there was any shortfall on the debt that she was liable for.

Oodle contacted Mrs O again in August 2022.

Mrs O complained to Oodle in August 2022 about the arrears correspondence she received from them. She believed Oodle wrongfully contacted her and should have only contacted her IVA company if they believed there was outstanding arrears left to pay.

Oodle responded to Mrs O in October 2022. They said Mrs O’s IVA company confirmed in September 2022 that no payment had been made to them, and that a payment was scheduled for the following day. They went on to say that they didn’t uphold her complaint as her IVA company hadn’t sent any funds across to their finance team. They also said while Mrs O didn’t expect to receive any communication from them while she was in an IVA, it was generic communication to explain the outstanding arrears on her account because the IVA company hadn’t sent any funds across to them.

Mrs O said that she felt intimidated by the communication Oodle sent to her and as a result, she felt she had to do a lot of chasing to try to get to the bottom of the issue.

Mrs O remained unhappy with Oodle's response and so, she referred her complaint to our service. During our involvement, Oodle confirmed to our investigator that there was no record to show a payment was returned and that it was only successfully received in September 2022.

Our investigator found that Oodle didn't need to do anything further. In summary, he said that he was satisfied Oodle had sent Mrs O arrears correspondence fairly, in line with the Consumer Credit Act 1974 ("CRA").

Mrs O disagreed with the investigator's findings. She believed that the frequency of both calls and correspondence by Oodle to her was oppressive and heavy handed. She also believed it was Oodle who had changed their bank details and hadn't informed her IVA company, so was to blame for not receiving the funds when expected. Mrs O felt compensation of around £250 was a fair way to resolve this complaint.

Our investigator asked Oodle if the account details the payment they received from the IVA company was the same account details initially given to them. And whether Oodle's bank details changed at any time during the IVA.

Oodle confirmed the bank details were correct and were the same at the time the IVA was set up. They suggested the IVA company may not have sent the payment with a remittance and so they hadn't been able to allocate it to Mrs O's account. Oodle said the only payment received for Mrs O's account was in September 2022.

Mrs O's offer for Oodle to pay £250 to resolve this complaint was put forward to Oodle but they did not agree to it.

Our investigator also asked Oodle for details of any calls it or any third-party acting on its behalf made to Mrs O from January 2022 onwards. Oodle confirmed no calls were made to Mrs O by itself or by a third party acting on its behalf. They said the only correspondence they sent to Mrs O was in March 2022, where their system automatically generated a Notice Of Sums In Arrears letter.

Mrs O hasn't provided call logs during the times she said she received calls from Oodle, but has provided a brief recollection of the times she said she was called.

Oodle also said they received a final report from Mrs O's IVA company in February 2022; a copy of the closure report from Mrs O in August 2022; and then they received a closure report from Mrs O's IVA company in December 2022. They explained there was a delay in Mrs O's IVA company confirming the closure with them, but didn't explain why.

As Mrs O disagreed with the investigators finding, the complaint was passed to me to decide. Among other things, Mrs O believed Oodle didn't comply with the CRA and her IVA in how often they contacted her and with what they said in their correspondence to her. She believed Oodle didn't receive the payment expected from her IVA company as they had recently removed the third-party company acting on their behalf – and so didn't update their banking details.

*I issued a provisional decision on 18 July 2023 where I explained why I intended to uphold Mrs O's complaint. In that decision I said:*

*"I'm aware I've summarised this complaint very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. Instead, I've focussed on*

*what I think is at the heart of the matter here. Namely, did Oodle treat Mrs O unfairly by contacting her when they did.*

*If there's something I've not mentioned, I haven't ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.*

*For me to be able to resolve this complaint fairly and reasonably, I need to reach a finding on two points:*

- Did Oodle wrongfully contact Mrs O when they shouldn't have?*
- If so, what impact did this have on Mrs O?*

*For an IVA to become legally binding on all parties, the agreement must be sanctioned and registered by the Court. And all parties to it are bound by its terms and conditions. Part of its terms are that creditors shouldn't contact the debtor directly about the IVA or the debts within it. So, generally, a creditor should contact the IVA company directly, rather than the debtor. This also applies to debt collectors who may be acting on the creditor's behalf.*

*I have seen a copy of the certificate of completion of the IVA. Its letter header is dated 26 January 2022. Oodle has told our service they were informed in December 2022 that the IVA had completed – around 11 months after Mrs O had completed her IVA. I contacted Oodle for their comments to understand why they only received confirmation in December 2022. Oodle say they received a final report from Mrs O's IVA company in February 2022; a copy of the closure report from Mrs O in August 2022; and then they received a closure report from Mrs O's IVA company in December 2022. They explained there was a delay in Mrs O's IVA company confirming the closure with them, but didn't explain why.*

*In this instance, Oodle say they only contacted Mrs O in March 2022 and say they only did so as a letter automatically generated to be sent. However Mrs O has provided us copies of correspondence she received – both in March 2022 and also in August 2022. So I'm more persuaded by what Mrs O has provided our service when considering when Oodle had contacted her in writing. Even if I was to set aside the fact that the IVA had already completed on both of these occasions, it was before Oodle believed Mrs O to have completed it.*

*So, I'm satisfied here that Oodle wrongfully contacted Mrs O in writing when they shouldn't have as they should have contacted Mrs O's IVA company instead.*

*I've gone on to consider the impact this might have had on Mrs O.*

*Oodle say they contacted Mrs O as they hadn't received the funds they were expecting from her IVA company and that their communication to her was generic, which explained the outstanding arrears on her account. Mrs O has suggested that Oodle hadn't received the funds due to them not updating her IVA company of their bank account details. While I don't think I need to make a finding on this matter to reach a fair outcome, it might help Mrs O to know that following our services' enquiries, Oodle said the bank details were correct and were the same at the time the IVA was set up.*

*Mrs O said the communication she received from Oodle was intimidating, oppressive and heavy handed.*

*Oodle has confirmed no calls were made to Mrs O from itself or from a third-party company acting on its behalf after January 2022. And Mrs O hasn't been able to provide evidence of*

*call logs she received from Oodle. I can't be certain of whether calls were made to Mrs O by Oodle, without having sight of call logs. Oodle has said they didn't make any calls. But overall, I don't think there's strong enough evidence to show that calls were made when they shouldn't have been.*

*While I accept written communication may have been sent to Mrs O when it shouldn't have, I don't think from what I have seen, the communication to be intimidating, oppressive or heavy handed in nature. I say this because general information was provided about arrears which Oodle believed to be outstanding on the account. And they say this was sent as they didn't receive funds from the IVA company when they expected to. The tone of the letters sent were not intimidating, but rather it was intended for these letters to be factual and informative.*

*Considering things here, while I don't think the communication received to be intimidating, I do accept it would have still been distressing to Mrs O to have received these letters, given that her IVA had completed. And while I can't be certain as to why there was a delay in Oodle being credited or for being notified of Mrs O's IVA completion, I think Oodle shouldn't have contacted her when they did. So, to put matters right, I think Oodle should pay Mrs O £100 for the distress and inconvenience this matter has caused her."*

I set out that I intended to uphold this complaint. And I gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

#### Responses to the provisional decision

Both parties responded before the deadline I set.

Mrs O responded and provided copies of emails she received from a third-party acting on Oodle's behalf and from a third-party Oodle sold the debt on to.

Our service responded to Mrs O and invited her to make further comments to what I proposed, which I have outlined in the next section below.

Mrs O said that while she is happy that my provisional decision had found in her favour in part, she was concerned, among other things, that I hadn't addressed certain aspects of her complaint.

Mrs O also believed I dismissed telephone calls being made to her as she couldn't produce documentary evidence of those calls.

Oodle responded and said they accepted my provisional 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.

Mrs O has said she has been contacted by Oodle again since I've issued my provisional decision, which is disappointing to see. I have seen the correspondence sent to Mrs O, and I don't think it is intimidating or oppressive in nature. But I do think I need to reconsider the award I set out in my provisional decision.

I say this because Oodle sent us an email they received from a third-party they had sold the debt on to. The email said they had not been in contact with Mrs O. I don't think this is correct, considering Mrs O has provided our service a recent email she received from them.

I have contacted Oodle and asked them to stop contacting Mrs O in relation to this matter as they are aware the IVA is now complete. If Mrs O continues to receive contact from Oodle or a third-party acting on its behalf about this debt, then Mrs O retains the right to raise a further complaint where a further distress and inconvenience award may be awarded.

Considering events that have transpired since I issued my provisional decision, I think Oodle needs to do more to put things right and I think a £250 payment is fair for what has happened up until the date of this decision.

Mrs O has said I didn't address certain aspects of her complaint. As I set out in my provisional decision, if there's something I've not mentioned, I haven't ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Mrs O also believes I dismissed her comments about receiving calls from Oodle due to the lack of documentary evidence of said calls. I appreciate Mrs O's comments that it implies she hasn't been honest and falsely claimed to have been contacted by Oodle. It certainly wasn't my intention to do so in making my findings and I also want to be clear that I haven't dismissed any comments made. But as I've already said, I don't think there's strong enough evidence to show that calls were made when they shouldn't have been.

### **My final decision**

For the reasons I've explained, I uphold this complaint and I instruct Oodle Financial Services Limited to pay Mrs O £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 24 August 2023.

Ronesh Amin  
**Ombudsman**