

## The complaint

Ms D is unhappy with the way Oodle Financial Services Limited (Oodle) handled the termination of her finance agreement. And she is unhappy with the amount of money Oodle asked her to pay.

## What happened

In March 2022, Ms D entered into a hire purchase agreement with Oodle to acquire a used car, first registered in March 2014. The cash price of the car was around £2,600. Ms D also purchased a warranty for about £799, so the total cash price was about £3,399. The total charge for credit was about £1,970. The duration of the credit agreement was 60 months. The first payment was about £138, followed by 58 payments of around £88 and one final payment of about £138.

Ms D was unhappy with the quality of the car, so she complained to Oodle and then later The Financial Ombudsman Service (Service) investigated this complaint under a separate complaint reference. This Service provided its findings on the matter on 23 January 2023, Ms D and Oodle both accepted the findings, resulting in that case closing on 6 February 2023.

Towards the end of March 2023, Ms D wrote to Oodle and raised a complaint. In summary:

- Ms D was unhappy because she said that Oodle ignored her wish to have the car collected and her car finance agreement terminated back in September/November of 2022. Ms D said that had Oodle collected the car earlier, she would have owed them less money.
- She said that her requests for Oodle not to phone her, and only to communicate in writing, preferably by emails, were ignored.
- Ms D said that she feels that she did not deserve an email from Oodle suggesting that they will send someone around to see her because that made her feel uncomfortable, and she said that she was not ignoring Oodle at the time.
- She feels that Oodle should not have told her that future landlords and employers may learn of her debt.
- Ms D feels that she was mocked by Oodle for misspelling their company name in correspondence to them.
- She believes that Oodle misadvised her to return the broken-down car in their email dated 7 March 2023.
- And Ms D is unhappy Oodle did not accept payments from her at £5 a month.

In May 2023, Oodle responded to Ms D's complaint. In summary, they apologised that they continued to attempt to speak with her by telephone, when she had asked for email or postal responses. They said they were sorry Ms D felt the communication she sent to them had been ignored. They assured her it was not their intention to cause any upset, and explained there was an active complaint being investigated at the time by our Service. In this correspondence they also said they had recovered the car and that the outstanding balance would be reflected on her credit file along with the status of the account. They explained that,

as advised in their email in March 2023, Ms D should complete the income and expenditure form, if she would like them to set up a payment arrangement for her.

The correspondence goes on to explain that they were previously not misadvising her when they told her that a default recorded on a credit file is visible to all lenders, and could be visible to future landlords and employers who run a credit search in her name. They elaborated that, as a responsible lender, they need to report an accurate reflection of her account to the Credit Reference Agencies.

Ms D was unhappy with Oodle's response, so she brought her complaint to this service.

Our investigator did not think Oodle treated Ms D unfairly and she did not think they needed to take any further action in relation to this complaint.

Ms D did not accept the investigators outcome. So, the complaint 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.

In considering what is fair and reasonable, I need to take into account the relevant rules, guidance, the law, and, where appropriate, what would be considered to have been good industry practice at the relevant time.

Ms D acquired the car under a hire purchase agreement, which is a regulated consumer credit agreement. Our service can look at these sorts of agreements. Ms D was unhappy with the quality of the car, and this Service provide its findings on the matter on 23 January 2023, and that case was closed on 6 February 2023. So in this decision, I will not be addressing any aspects that have already been considered.

Ms D is unhappy as she feels that Oodle ignored her wish to have the car collected and to have the car finance agreement terminated back in September/November of 2022. And she thinks that had that happened, then she would have owed them less money. So, I've looked to see what happened at the time in question.

From the contact Ms D had with Oodle, I can see that she was asking Oodle to collect the car and terminate the finance agreement back in September/November of 2022. But this was during a period where this Service was investigating her car quality complaint. As a resolution of that complaint, Ms D wanted to exercise a right of rejection, so when she was communicating to Oodle that she wanted them to collect the car, she did not specifically say on what basis she wanted to end her finance agreement with them. When contacting Oodle, Ms D was making comments about the quality of the car, and she was not explaining that she wanted to voluntarily terminate the agreement. So, as Oodle already provided their response on the quality of the car, and as that complaint was being investigated by this Service, it is not unreasonable Oodle awaited the outcome of the quality complaint before making contact with Ms D. And I can see that once the complaint about the quality of the car was closed, in February 2023, Oodle again began corresponding with Ms D. That is when the car was collected, and the finance agreement terminated. So overall, I do not think it would be fair or reasonable for me to say Oodle had done anything wrong regarding this aspect.

Ms D said that she was not happy with the communication she had with Oodle. She said that her requests for Oodle not to phone her, and only communicate in writing preferably by

emails, was ignored. But I can see Oodle apologised for attempting to speak with her on the telephone, and I can also see that, during the relevant period, they were also corresponding with her by letter and email. So, I cannot say they needed to take any further action as she had the required information pertaining to her finance agreement through those means of correspondence.

She is also unhappy that one of the correspondences to her said: *"we may instruct an agent from our re-engagement team to visit your home address"* and also said that: *"A notice of default may be issued in the absence of payment or an agreed repayment plan which can stay on your credit file for up to 6 years. This information may be considered by future lenders, landlords and some employers."* But the main purpose of that entire communication was to address the arrears on the account, and sometimes agents do make home visits to try and get accounts back on track before a situation becomes financially unmanageable for both parties. Also, Oodle as a lender, is required to report an accurate reflection of her account to the credit reference agencies, so they gave Ms D correct information when they said that a default or an agreed repayment plan can stay on a credit file for up to six years, and that this information may be considered by future lenders, landlords and some employers.

Ms D feels she was mocked by Oodle for misspelling their company name in correspondence to them. Looking at that correspondence I think Oodle, most likely, was confused and just wanted to ensure that someone else was not in possession of the car. Also, when Oodle told Ms D that the car must be returned to them, they were not indicating that she needs to tow the car to their premises. They were just speaking generally that the car needs to be returned. And, when the agreement was terminated Oodle arranged for collection of the car, so Ms D was not required to tow it to any of their business locations. So, it is not fair or reasonable for me to require of Oodle to take any action in response to these points raised by Ms D.

Ms D is also unhappy Oodle did not accept payments from her at £5 a month. But I can see Oodle told Ms D that she would be able to agree an affordable payment plan based on her financial circumstances. They also explained that they would need to gain an understanding of her circumstances by looking at her Income and Expenditure to make sure that such an arrangement would be the right course of action. So, I do not think that Oodle refused to accept payments of £5 a month from Ms D. Also, their request to go through Income and Expenditure before agreeing a repayment plan is not an unreasonable ask, as Oodle was required to make sure that a repayment plan is affordable and sustainable for her. So, I cannot say that they were acting unreasonably when requesting this.

Overall, taking all the circumstances of the complaint into account, I do not think Ms D has been treated unfairly by Oodle. So, it is not fair or reasonable for me to require Oodle to take any action in response to her complaint.

### **My final decision**

For the reasons given above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 7 March 2024.

Mike Kozbial  
**Ombudsman**