

The complaint

Mr B complains that the car he acquired through Oodle Financial Services Limited trading as Oodle Car Finance ("Oodle") is faulty and they should repair it, but these repairs should be conducted locally to him so he can be without the car for the least amount of time.

What happened

The majority of what has happened here has been agreed by the parties, but I will summarise below. Mr B entered into a hire purchase agreement with Oodle in July 2023 for a used car. A few days after he got the car, he said he could smell burning oil or similar, and took the car for a health check, which identified issues including oil leaking from the turbo drain gasket and a duct piece or pieces from the air box to the front panel being missing.

Mr B discussed these with the dealer who had supplied the car, and whilst they agreed to repair it at no cost to Mr B, he has said that originally they said they'd let him get local quotes for the work and pay for it, but then they insisted they wanted the car back to arrange the work themselves and couldn't provide him a courtesy car.

Unhappy with this, Mr B raised a complaint to Oodle, and in October 2023 Oodle upheld his complaint and said they agreed the car should be repaired at no cost to Mr B, but that it was up to the supplying dealership where those repairs took place, and if there was no courtesy car available, they could not do any more.

Unhappy with this, Mr B brought his complaint to our service in January 2024. An investigator here looked into this and initially felt the inconvenience being caused to Mr B in getting repairs should mean that Oodle accepted a rejection of the car. However, after further conversations with both parties, they gave their final view that Oodle were entitled to repair the car, but that if a courtesy car wasn't available, they should refund Mr B his monthly rental for the time the car was away being repaired, a pro rata amount based on the number of days he was without the car and the monthly payment.

Mr B has told us that because he works nights and there is no public transport he can use, and he can't afford to pay for taxis, this isn't fair on him and so he asked for an Ombudsman to make a final decision on the case.

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.

In considering this complaint 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. Mr B was supplied with a car through a hire

purchase agreement. This is a regulated consumer credit agreement which means we're able to look into complaints about it.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – Oodle here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors.

Firstly, I've considered whether Oodle have the right to repair the car or Mr B has the right to reject it. The CRA says that if a car is of unsatisfactory quality, a consumer has the short term right to reject it within the first thirty days.

All parties are in agreement that the car was not of satisfactory quality when supplied, but I've seen no evidence that Mr B asked or wanted to reject the car at this point. He has engaged with the supplying dealership originally to try to get it repaired, and then several weeks later, outside of this thirty day window, he's raised his concerns with Oodle to try to get it repaired. Without evidence of Mr B asking to reject the car, I am satisfied that it was fair for Oodle to look to repair it.

Whilst I have empathy for Mr B's situation, my role is to reach a fair and balanced conclusion, fair to both parties. In this case, I'm pleased to see that Oodle have not disputed that the quality of the car is unsatisfactory, and it needs repairs. However, Oodle are entitled to have the car repaired wherever they choose. And a business isn't required to supply a courtesy car.

In reading through the file and testimony from both parties, it appears that Oodle have said in their final response letter (FRL) that the dealership will collect the car from Mr B and if they have a courtesy car available, they will leave him one, but they can't promise or guarantee this.

But they have confirmed they will collect and deliver the car back to him. I think this is fair. What Oodle didn't do here was make any financial commitment to Mr B regarding the time he will be left potentially without a car. The investigator at our service included in their final view that Mr B should be paid his monthly payment back pro rata for the number of days he's left without a car, which I also think is fair.

I empathise with Mr B's situation. But I am satisfied that the CRA gives Oodle one chance to repair the vehicle, and that repair is for them to arrange and fund. As such, they don't have to allow Mr B to get the repair done locally and refund him for it. And as already mentioned, there is also no legal requirement to provide a courtesy car.

I'm concerned at this stage, so long after the complaint was raised, that Mr B has continued to drive the car. Whilst he's said he understands the fault and can manage it by ensuring the car is kept topped up with Oil, Oodle did offer to repair the car for him over a year ago. I just want to make it clear that any further damage which has occurred now when Oodle get the car back to repair doesn't form part of this complaint and would need to be raised separately by Mr B if he has concerns.

What was said in the FRL issued by Oodle in October 2023 was that "the breather pipe to the turbo the turbo needed to be replaced". This doesn't quite make sense. I have seen previous correspondence from the broker saying that the CV joint had issues needing investigation and repairs, and on a conversation between the broker and Mr B, they discussed the turbo needing to be replaced.

To attempt to be clearer here, this complaint seems to be mainly focused on the turbo and it needing repair or replacement. As well as the CV joint needing repair. Any unrelated issues may be different complaints that are yet to be raised by Mr B, and Mr B may need to complain about these separately if this happens, as he's been driving the car for well over another year now, so they won't form part of this complaint from 2023.

Putting things right

I instruct Oodle Financial Services Limited trading as Oodle Car Finance or their broker to collect the car from Mr B and arrange for the repairs or replacement of the turbo and CV joint to be carried out in a timely fashion. Alongside this, they should refund Mr B pro rata for the days he is without his car.

My final decision

I am upholding this complaint and instruct Oodle to carry out the above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 December 2024.

Paul Cronin
Ombudsman