

The complaint

Mr R complains that Oodle Financial Services Limited trading as Oodle Car Finance (“Oodle”) has misreported information about his hire purchase agreement to credit reference agencies.

What happened

Mr R entered into a hire purchase agreement with Oodle in May 2021. In January 2024, he complained to Oodle saying that his credit file was showing missed payments over the previous year, which wasn’t correct. Mr R said he had not only made the contractual payments but had paid extra than this each month.

Oodle didn’t uphold the complaint. They didn’t think they’d made any errors in how they’d reported Mr R’s payment history to the respective credit reference agencies and said they’d continued to record missed payments when Mr R had made payments in 2023 because the total arrears that had built up hadn’t been repaid.

Mr R wasn’t happy and referred the matter to us. Our investigator looked into what had happened but didn’t recommend that Mr R’s complaint should be upheld. In summary, he didn’t think Oodle had made any errors.

Mr R didn’t agree and asked for an ombudsman’s 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 want to acknowledge I’ve summarised the events of the complaint. I don’t intend any discourtesy by this – it just reflects the informal nature of our service. I’m required to decide matters quickly and with minimum formality. But I want to assure Mr R and Oodle that I’ve reviewed everything on file. And if I don’t comment on something, it’s not because I haven’t considered it. It’s because I’ve concentrated on what I think are the key issues. Our powers allow me to do this.

Mr R entered into a regulated hire purchase agreement with Oodle for a car. Our service is able to consider complaints relating to these sorts of consumer credit agreements.

I would firstly just like to clarify that I will only be considering the circumstances of the dispute between Mr R and Oodle that they covered in their final response letter of February 2024. I mention this because I note Mr R made previous complaints to Oodle in 2022. I won’t though be considering the events of those complaints here. I will only be concentrating on the history of Mr R’s account from 2023 onwards, as this was the complaint that was brought to Oodle by him in January 2024.

As a starting point, Oodle has an obligation to record accurate and fair information to credit reference agencies about the payment history of Mr R’s account. The purpose of doing so is

primarily to ensure that such information is available for lenders if and when Mr R makes any future applications for credit.

I've looked at what Mr R has provided in support of his assertion that the information about the hire purchase agreement on his credit file is inaccurate. This appears to be a few screenshots from companies providing credit reference related services. These companies generally supply information relevant to an individual's financial standing and status with one or more of the three main credit reference agencies. It's worth keeping in mind however that the information they provide isn't always necessarily presented or summarised in the same format as what a lender carrying out a credit check might see. Lenders will typically have their own ways of reading and extracting information from credit files. It's difficult also for me to be certain that what these companies are recording mirrors the information held about the agreement with the credit reference agencies.

Nevertheless, I've considered all the information provided by both parties to help me decide whether Oodle have reported information about the agreement incorrectly or unfairly.

Looking at Mr R's payment history from 2023 onwards, I can see that he missed the due contractual payments in April 2023, June 2023 and July 2023. From the end of July 2023 onwards until January 2024 when the agreement was voluntarily terminated by Mr R, he made the required contractual payments each month as well as paying extra in July, August, September, November.

Oodle has sent us the details that they recorded with the credit reference agencies. This shows under the heading 'main hirer status' (which here is Mr R) the number 'five' from January 2023 to March 2023 and the number 'six' from April 2023 to December 2023. I'm satisfied that this equates to the number of months that Mr R's account was in arrears overall, from month to month. And I've not seen anything to make me think that this wasn't correct. I note also that this status changed from 'six' to 'S' (meaning 'settled' or 'satisfied') in January 2024 which was when Mr R voluntarily terminated his agreement. So, it seems to me that Oodle were reporting accurate information to the credit reference agencies.

Mr R has said that Oodle should have been recording that he was in an 'arrangement to pay' I don't though agree. I say this because I've not seen sufficient evidence that Oodle agreed a specific payment arrangement. I note also that Mr R's extra payments each month were different each time. So, there wasn't as far as I can tell an agreed amount that would be paid each month. Arrangements to pay are typically set at a certain amount which wasn't the case here.

I would just like to say though that Mr R clearly showed great intent and endeavour in trying to get his account back on an even keel. I am not by any means criticising Mr R and I hope he hasn't taken my comments in this way; in fact I think he took commendable steps to address what had happened. And I am very mindful of the circumstances that Mr R went through prior to 2023. But I think Oodle did show reasonable forbearance overall and were prepared to accept what Mr R wanted to do with regards his account. I haven't though seen enough evidence that they misreported the account with the credit reference agencies.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 21 February 2025.

Daniel Picken
Ombudsman