

The complaint

Miss S complains that Oodle Financial Services Limited (Oodle) were unreasonable to terminate a finance agreement she had with them and to report adverse information to her credit file.

What happened

In October 2021 Miss S took receipt of a used car. She financed the deal through an agreement with Oodle.

Miss S contacted Oodle in October 2023 as she was struggling to meet the repayments. She discussed the prospect of voluntarily terminating the agreement. Further discussions on this subject took place when she called Oodle the next month.

In November 2023 Oodle wrote to Miss S a few times as they had identified that the car wasn't insured, taxed or MOT'd. They explained that this was a breach of the terms of Miss S's finance agreement. They told Miss S that she must arrange to remedy that situation before 11 December 2023 and that if she didn't the agreement would be terminated, and the vehicle repossessed.

Miss S called Oodle on 8 December to explain that she had sent them a voluntary termination request. They explained that they hadn't received it and Miss S, therefore, sent it again.

Oodle didn't receive that response either so on 18 December 2023, when they noted that the car was still uninsured, they terminated the finance agreement.

Miss S didn't think they'd been fair, and she referred her complaint about that to this service. Our investigator didn't support Miss S's complaint. She noted that Miss S had sent voluntary termination requests to a "no reply" email address and as Oodle had never received the request she thought they'd been fair to terminate the agreement.

Miss S disagreed so her complaint has been referred to me, an ombudsman, for a final 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 know it will disappoint Miss S, but I'm not upholding this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on

board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss S acquired her car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The terms of Miss S's finance agreement explained that she must keep the vehicle insured and MOT'd at all times and that she must pay any duties. There's no dispute that the car wasn't taxed, insured or MOT'd.

In those circumstances I don't think Oodle were wrong to terminate the agreement as they had given Miss S the chance to put things right and she hadn't.

By December 2023 it seems that Miss S may have wished to voluntarily terminate her agreement which was a right she had after 50% of the payments had been received. But I can't see she made that request. She was told to reply to the "*options email*" but replied to a settlement statement instead. That was a "*no reply*" email so it wouldn't be fair to suggest Miss S had invoked her right to voluntary terminate her agreement or that Oodle were wrong not to recognise that.

In those circumstances I can't say that Oodle were unreasonable to terminate the agreement and as they have an obligation to report activity correctly to the credit reference agencies, they would need to report a default.

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 Miss S to accept or reject my decision before 5 November 2024.

Phillip McMahon
Ombudsman