

## **The complaint**

Mr L complains about the quality of a car he acquired under a hire purchase agreement with Oodle Financial Services Limited (Oodle).

When I refer to what Mr L has said and what Oodle have said, it should also be taken to include things said on their behalf.

## **What happened**

In September 2023, Mr L entered into a hire purchase agreement with Oodle to acquire a car first registered in September 2010. At the time of acquisition, the car had travelled around 108,000 miles. The cash price of the car was around £11,995. There was an advance payment of approximately £1,495. The total amount payable was approximately £14,772. First payment was around £416 followed by 36 monthly payments of around £366 and then a final payment of around £416 (which included the option to purchase fee).

Mr L said he was sold a faulty car because after having the car for four weeks, the engine was making a funny noise. Mr L said he was told the car would be repaired, but this did not happen for a long time. So, he said he no longer wanted the car due to the stress he has been caused.

In April 2024 Oodle wrote to Mr L and said they are upholding his complaint and that the car is having the repairs completed.

Mr L remained unhappy, so he referred his complaint to the Financial Ombudsman Service (Financial Ombudsman).

Our investigator considered Mr L's complaint, but the investigator did not think that the car was of unsatisfactory quality when supplied. The investigator was of the opinion that the problems with the car were due to a reasonable level of wear and tear, so the investigator did not think it would be fair to ask Oodle to do anything more to resolve Mr L's complaint.

Mr L disagreed with the investigator. 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

In considering what is fair and reasonable, I need to take into account the relevant rules, guidance, good industry practice, the law and, where appropriate, what would be considered good industry practice at the relevant time. Mr L acquired the car under a hire purchase agreement, which is a regulated consumer credit agreement. Our service can look at these

sorts of agreements. Oodle is the supplier of goods under this type of agreement and is responsible for dealing with complaints about their quality.

I have summarised this complaint very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned, I have not ignored it. I have not commented on every individual detail. But I have focussed on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of the Financial Ombudsman as a free alternative to the courts.

Also, I can only consider the actions/inactions of Oodle and only the aspects they are responsible for, and I cannot look at certain actions and/or inactions of the dealership which Mr L said he is unhappy about. So, in this decision I only focused on the aspects I can look into.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr L entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. I think in this case those relevant circumstances include, but are not limited to, the age and mileage of the car and the cash price. The CRA says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

In Mr L's case the car was used, with a cash price of around £11,995. It had covered around 108,000 miles and was around 13 years old when he acquired it. So, the car had travelled a reasonable distance, and it is reasonable to expect there to be some wear to it because of this use. I would have different expectations of it compared to a brand-new car. As with any car, there is an expectation there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be replaced. And with second-hand cars, it is more likely parts will need to be replaced sooner or be worn faster than with a brand-new car. So, Oodle would not be responsible for anything that was due to normal wear and tear whilst in Mr L's possession.

In summary, even though the car has been repaired, Mr L thinks that he should be entitled to reject the car.

The CRA sets out that Mr L has a short term right to reject the car within the first 30 days, if the car is of unsatisfactory quality, not fit for purpose, or not as described, and he would need to ask for the rejection within that time. Mr L would not be able to retrospectively exercise his short term right of rejection at a later date.

The CRA does say that Mr L would be entitled to still return the car after the first 30 days, if the car acquired was not of satisfactory quality, not fit for purpose, or not as described, but he would not have the right to reject the car until he has exercised his right to a repair first – this is called his final right to reject. And this would be available to him if that repair had not been successful.

First, I considered if there were faults with the car. From the independent inspection, which was carried out in March 2024, I can see the engineer said the car's symptoms had the characteristics of a failed timing chain and its associated components, which affected the valve to piston timing. Based on this evidence, it is clear that the car was faulty. But just because a car was faulty does not automatically mean that it was of unsatisfactory quality when supplied. So, I have considered if the car was of unsatisfactory quality when it was supplied to Mr L.

I know that the independent inspection report said that the car had travelled around 3,000 miles from the date of sale. As such, this led the engineer to conclude that the engine was not in a durable condition at the point of sale. I've taken this into consideration, but I think most likely the car was not of unsatisfactory quality at the time of supply. I say this because I considered that the car at the time of the inspection, had travelled a significant number of miles, about 111,097, and approximately 3,000 miles since Mr L acquired it. So, when considering the age and mileage of the car, combined with when the above issues were noted, I think it is most likely the faults that Mr L is experiencing are because of normal wear and tear, and parts coming to the end of their life cycle. As such, I've not seen enough evidence to be able to say that Oodle should be responsible for these.

Mr L has told us a lot about his personal circumstances and while I sympathise with him for the difficulties that he is experiencing, based on all the information available in this case, I do not think there is sufficient evidence to say that most likely Oodle should be responsible for the faults with the car. As such, I do not think it would be fair and reasonable to ask Oodle to take any further action regarding this 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 Mr L to accept or reject my decision before 11 April 2025.

Mike Kozbial  
**Ombudsman**