

## The complaint

With the help of a professional representative (PR) Mr T complains that Oodle Financial Services Limited trading as Oodle Car Finance lent to him irresponsibly. For ease, I'll mainly refer to the actions of the PR as being those of Mr T.

## What happened

Mr T entered into a Hire Purchase agreement (HP) with Oodle to acquire a used car. It was agreed on the following terms:

| Date        | Amount of credit | Term      | Monthly repayment | Total payable |
|-------------|------------------|-----------|-------------------|---------------|
| 1 June 2021 | £7,814.54        | 60 months | £192.11           | £11,626.60    |

Mr T repaid the agreement in February 2023.

On 14 January 2025, Mr T's PR submitted a complaint to Oodle. They said Oodle had failed to conduct reasonable credit worthiness checks before lending to Mr T so the relationship between the two was unfair as described in Section 140A of the Consumer Credit Act 1974. They said Mr T had suffered financial hardship as a result because the agreement had been unaffordable for him.

Oodle looked into Mr T's complaint and issued a final response letter. It set out the checks it had undertaken and was satisfied the HP had been affordable for Mr T. It didn't uphold his complaint.

Mr T was unhappy with Oodle's response, so his complaint was referred to us. One of our investigators looked into it. He felt the checks carried out by Oodle were reasonable and proportionate and that it had reached a fair decision to lend to Mr T. Our investigator didn't uphold the complaint.

Mr T didn't agree with our investigator so, as there was no agreement, the complaint has been passed to me for a 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.

We've set out our approach to complaints about irresponsible and unaffordable lending on our website – including the key relevant rules, guidance, good industry practice and law. I've considered this approach when deciding this complaint.

Oodle needed to carry out reasonable and proportionate checks to ensure that it didn't lend to Mr T irresponsibly. I think there are key questions I need to consider in order to decide what is fair and reasonable in the circumstances of this complaint:

- Did Oodle carry out reasonable and proportionate checks to satisfy itself that Mr T was in a position to sustainably meet the repayments?
- If not, what would reasonable and proportionate checks have shown at the time?
- Did Oodle make a fair lending decision?
- Did Oodle act unfairly or unreasonably towards Mr T in some other way?

Oodle had to carry out reasonable and proportionate checks to satisfy itself that Mr T would be able to repay the HP sustainably. It's not about it assessing the likelihood of it being repaid, but it had to consider the impact of the repayments on him. There is no set list of checks that it had to do, but it could take into account several different things such as the amount and length of the HP, the amount of the repayments and the overall circumstances of the borrower.

When Mr T applied for the HP, he told Oodle he was employed with a gross income of £15,600 per year and lived with his parents. Oodle reviewed his credit file and saw he had an existing HP for his current car (which was to be repaid with part of the money lent under this agreement), and three credit cards with a total limit of £2,300 and balances of around £850. His payments to those facilities were up to date.

Oodle used that information as well as data supplied by the Office for National Statistics (ONS) to assess the affordability of the application. It was satisfied based on what it found that £192.11 would be affordable for Mr T in the circumstances.

It's generally accepted that a business can rely on information given to it by a consumer unless it knows or has cause to suspect that information may not be accurate. In this instance, the details Mr T gave Oodle appeared reasonable and fit with the information it found itself through its' checks. I've seen nothing to suggest it ought to have had any concerns about what it was told or what it found out itself. It follows that I think the checks it carried out were reasonable and proportionate and I think it reached a fair decision to lend to him.

#### Did Oodle act unfairly or unreasonably towards Mr T in some other way?

I've carefully read and considered all the information provided by Mr T, his PR and Oodle.

The notes show that Mr T contacted Oodle in February 2022 to say that he'd lost his job and may not be able to make the payment due at the end of the month. He's also been involved in a collision which was being resolved through insurers. Oodle asked Mr T if he was up to date with his priority bills and he confirmed that he didn't have any as he lived with his parents. It was agreed that Mr T would call back towards the end of the month to discuss payments at that stage. I can see his payment was made as usual and on time, and his payment date was later amended to coincide with his new payday.

There was no other contact between Mr T and Oodle regarding any difficulty making the repayments. I note too that when he instructed his PR, Mr T told them he hadn't struggled to make the payments on time and that he believed the agreement had been affordable.

Taking everything into account, I've seen nothing which indicates Oodle acted unfairly towards Mr T in this or any other way.

For the reasons I've already given, I don't think Oodle lent irresponsibly to Mr T or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

**My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 October 2025.

Richard Hale  
**Ombudsman**