

The complaint

Mr B is unhappy with the interest rate on a hire purchase agreement taken to acquire a car, provided by Oodle Financial Services Limited trading as Oodle Car Finance.

What happened

In June 2024 Mr B entered into a hire purchase agreement with Oodle to acquire a car.

Mr B says the dealer told him the finance would be at 18% APR. But he explained he later found out it was over 30% APR. Mr B complained to Oodle in November 2024.

Oodle didn't issue a final response addressing this specific complaint point. Mr B then referred the complaint to our service around April 2025.

Mr B explained to our service that he had seen an advert stating the APR was 12.9% but was then told verbally it would be increased to 18%.

Our investigator issued a view and didn't uphold the complaint. She said, in summary, that the advertised rate was 'representative'. She said she thought it was clear the paperwork from Oodle showed the APR was 31.6%. And she said there was no evidence Mr B was told he would get a lower rate.

Mr B disagreed. He said he didn't think the rate was the same 'as others'. He said he was initially sent the wrong document to sign. And Mr B then sent a document from the dealer.

Mr B later told our service the dealer told him the APR on the agreement was wrong, and that he shouldn't worry about signing it as he would actually get the lower rate he mentioned.

Our investigator explained this didn't change her opinion. 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.

Having done so, I do not think this complaint should be upheld. I'll explain why.

When considering what's fair and reasonable, I've had in mind relevant legislation and regulations. Section 56 of the Consumer Credit Act 1974 ('S56') is relevant to this complaint. S56 explains under the circumstances of this complaint, Oodle are responsible for what the dealer told Mr B before he entered into the agreement. So, I've considered what Mr B said he was told.

What I need to consider in this case is whether the agreement was misrepresented to Mr B.

I'd consider a misrepresentation to have taken place if he was told a false statement of fact about the finance, that induced him into entering into the agreement when he otherwise would not have.

I want to reassure Mr B that I've carefully considered everything he's said. And I do appreciate the difficulty in providing evidence to back up what he explained he was told in person, which was some time ago. So, I've thought about his testimony along with the evidence I do have from the time.

I've seen a copy of a document titled 'PRE-CONTRACT CREDIT INFORMATION'. This states under "*Costs of the credit*":

"Annual Percentage Rate of Charge (APR)"

"Hire Purchase: 31.6%"

I've then seen a copy of the hire purchase agreement. Separate from other information and in its own 'box' it states:

"APR

The APR on your agreement is 31.6%"

Mr B electronically signed this on 11 June 2024.

I'm satisfied it's most likely Mr B would've understood the APR was 31.6% from what he saw at the time.

I've seen a screenshot of an advert for the car from the dealer. At the top of the screen is a banner that states "*Representative APR 12.9%*". I've thought about this, but a representative rate is quite different to one presented to Mr B on a contract. And in any event, he hasn't explained he expected an APR of 12.9%, so I don't think he relied on this anyway.

I again want to reiterate that I have considered everything Mr B said, including what he told our investigator in response to their view. But, in summary, I've seen nothing else to suggest he was told the APR would be lower than that listed on the agreement.

Thinking about everything, I haven't seen enough to persuade me it's most likely Mr B was told a 'false statement of fact' about the finance. It follows I don't think the agreement was misrepresented to him. And I can't see he was given any other incorrect information or misled in some other way.

I've seen the document from the dealer Mr B sent in response to the investigator's view. But this isn't a credit agreement, it is a general explanation of how hire purchase agreements work. It isn't tailored or addressed to Mr B. And it contains no interest rate. So, this doesn't change my opinion.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 10 December 2025.

John Bower
Ombudsman