

## The complaint

Miss C complains Oodle Financial Services Limited trading as Oodle Car Finance (Oodle) provided her with a car which wasn't of satisfactory quality.

## What happened

Miss C took out a hire purchase agreement with Oodle in order to acquire a used car on 10 September 2024. The cash price of the car was £8,244 and she paid a deposit of £249. Under the agreement she was to pay an initial instalment of £245.08, followed by 58 payments of £195.08 with a final payment of £245.08. The car was around seven years old and had travelled around 37,614 miles.

On the day she collected the car, I understand the warning light came on indicating there was an issue with the brake fluid. Miss C purchased brake fluid and attempted to refill it but when trying to access the reservoir, she found the car bonnet wouldn't open. Therefore, she arranged for a mobile mechanic who inspected the car on 22 September 2024 and 23 September 2024 (she couldn't arrange this sooner because of financial restraints). On inspection, the mechanic noted the car battery was loose, and the air filter wasn't properly connected. So, he advised Miss C to return the car to the supplying dealership for repairs.

Miss C said she took the car back for repairs on 26 September 2024. Repairs were carried out on the battery, but Miss C said she wasn't satisfied these repairs were sufficient and she no longer trusts the supplying dealership. She said the garage only taped the air filter system which wasn't a proper fix. On 26 November 2024, Miss C also took the car to a different garage to have new tyres fitted and it said the car needed new brake discs and pads.

Miss C said she first noticed other issues on 4 December 2024 when she completed her first long journey in the car. The brake disc and pads were replaced on 7 December 2024, and the brake fluid warning light was still illuminated. Diagnostics were carried out and Miss C has said it was found necessary to change the oil, which was done on 11 December 2024.

Following this, Miss C relocated. She noted intermittent smoke from the exhaust when the car was idle in traffic. Her local garage inspected the car on 5 February 2025 and confirmed the car was burning excess oil and needed a new engine.

Therefore, Miss C complained to Oodle about the quality of the car on 5 February 2025. The car was returned to the supplying dealer for inspection, but no faults were found. Oodle responded to the complaint on 27 March 2025 and didn't uphold it. However, it did pay Miss C £100 as a contribution towards the collection costs.

Our Investigator issued a view explaining how she felt things should be put right. Oodle responded to the view confirming it accepted her findings. However, Miss C didn't agree. In summary, she said:

- The inspection was not independent, not only because the garage was adjacent to the dealership, but because it was part of the supplying dealership itself. They share the same premises and trading name which is verifiable online. This means there is a

conflict of interest as an inspection carried out by the dealer who sold the car cannot reasonably be considered as independent. Its conclusion that no fault exists should not be relied on as credible evidence. She understands the emissions equipment must be calibrated by the Driver and Vehicle Standards Agency (DVSA). But the issue is not the machine, it is the personnel. The staff work for the dealer with a direct financial interest in avoiding liability.

- The inspection was inadequate because the car was left idle for 42 days and only driven three miles. The burning oil is an intermittent issue that requires proper diagnostic testing (including compression tests, leak-down tests and extended driving). But none of this was done.
- She raised her complaint within six months of purchase. Under the Consumer Rights Act 2015 (CRA 2015), Oodle carries the burden to prove the fault was not present at the point of supply. She disagreed there's not enough evidence of a fault and Oodle must prove no fault existed – not the other way around.
- Our Investigator indicated Oodle should arrange an independent inspection, but it didn't do this. Instead, it relied solely on the emissions test. Our Investigator later suggested she should pay for her own inspection contrary to statutory rights and unfairly placed responsibility on her after months of unnecessary delay.
- There was poor communication about when she should collect the car. She had raised valid concerns about safety, trust, mental health and distance. But Oodle's communication was inconsistent, and she was left in limbo. It was never communicated to her that the supplying garage had offered to return the car to her. Had she been given this option earlier, she would have considered it or asked for clarity. But there was poor communication. Our Investigator's summary unfairly implies she refused to collect the car.
- She provided video evidence showing the battery was unsecured and the air filter was unattached at the time of purchase. The battery was fixed after she returned the car. However, she also pointed out the disconnected air filter upon the car's return, something the garage had failed to notice. The garage simply taped it back in place when she raised it. She has provided a video of the air filter issue dated 23 September 2024 and a picture. She says this demonstrates the poor standard of inspection carried out by the supplying garage and further undermines their credibility.
- She has received a threat of legal action from Oodle whilst the complaint has been ongoing. She said Oodle has claimed she is in breach of her agreement because the car remained at the dealership. The letter implied threats of legal action. However, it didn't answer when she asked what specific clause she had breached. Our Investigator did not comment on this at all. This was inappropriate and in breach of industry standards.

Therefore, 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.

Both parties have submitted evidence and I want to provide assurance I've thought about everything I have been provided with. Where I haven't commented on a particular point which has been raised, it is not because I haven't considered it but because I don't think I need to comment on it to reach the right outcome here. I have focused on explaining the reasons for the decision I have reached.

When deciding what's fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I considered to have been good industry practice at the relevant time.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. Oodle is also the supplier of goods under this type of agreement, and is responsible for a complaint about their quality.

As mentioned by our Investigator, the CRA 2015 says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. So, it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of sale and the vehicle's history.

The CRA 2015 says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of goods.

### The car

My starting point is that the vehicle was second-hand, around seven years old and had done 37,614 miles. The car would have cost less than a new or newer model with less mileage. In these circumstances, it's fair to say a reasonable person would consider it likely that there would be some wear and tear and that it might need maintenance sooner than a new car which was less travelled. However, Oodle still needed to ensure it provided a car of satisfactory quality.

### Is there a fault with the car and does this mean the car wasn't of satisfactory quality?

Miss C has said she has incurred the following costs since collecting the car:

- Brake fluid light illuminated (brake fluid purchased and oil change);
- Broken bonnet catch;
- Battery loose and air filter disconnected;
- Brake discs and pads needed replacing; and
- Key batteries needed replacing.

I've thought about each of the issues Miss C has reported with the car and whether this made the car of unsatisfactory quality. I've also thought about if the issues have been repaired and/or investigated.

### *Bonnet catch, loose battery and disconnected air filter system*

Shortly after collecting the car, Miss C said the brake fluid light came on and when she went to refill it the bonnet wouldn't open. She called a mechanic who inspected the car on 23 September 2024 and has provided a video showing the loose battery with commentary from the mechanic confirming the battery was loose. The mechanic's report also confirmed the bonnet wasn't opening.

Miss C has said the air filter also wasn't connected. But I'd note the air filter is not mentioned in the report which confirmed the car was generally in an excellent condition (with the exception of the brake discs which were in a good/fair condition). Miss C also says she

raised the issue of the loose air filter with the garage when she collected it, but this was not raised further. So, it seems she accepted the repair in any event.

I'm satisfied there was a fault with the car in respect of the loose battery and the bonnet catch. I don't think a reasonable person purchasing a car of this age and mileage would expect the bonnet catch to be broken or the battery to be loose. I think this meant the car was of unsatisfactory quality at the point it was supplied. This is because I think it's likely these issues were present and developing when the car was provided to Miss C given how quickly they were raised. The issues were reported within 30 days of Miss C acquiring the car. However, the supplying dealer arranged for repair by the garage, and I'm satisfied repair of the car was accepted.

### *Key batteries*

Miss C also said when collecting the car, she noticed an issue with the batteries of both keys. I haven't seen evidence it was raised with the supplying dealership or with Oodle. She has told us she got the batteries replaced on 18 October 2024. I would have expected this to have been mentioned on collection of the car or when the car was returned for repairs. I'm mindful prior to having the batteries replaced the car was returned to the supplying dealer for repairs to the car. However, she went on to incur these costs herself and didn't give Oodle the opportunity to rectify it. In the circumstances, I won't be asking Oodle to do anything in relation to this.

### *Brake discs and pads*

Miss C has also told us it was necessary for her to replace the brake discs and pads. I've reviewed details of the MOT which was conducted on 6 September 2024. This was not long before the car was supplied to Miss C. At the time of the MOT, the car had travelled 37,614 miles. There were no advisories in respect of the brake discs or pads. I've also seen the car was inspected by the dealer garage on 6 September 2024. It confirmed it had checked the operation and condition of the front and rear brakes.

The vehicle health check from 23 September 2024 confirmed front discs were in good working condition with some corrosion and the rear discs were in fair condition and might need some repair. The report confirmed the car had travelled 37,695 miles at the time it was inspected. This was 81 miles more than when Miss C initially acquired the car. Although the report noted repair may be required, I don't think this is enough to conclude that there was a fault which meant the car was of unsatisfactory quality. The report stated the brake discs were in 'fair condition' and it doesn't seem the brake discs were replaced at the time.

Also, Miss C took the car back to the dealership on 26 September 2024 but went on to have these issues fixed herself. The inspection report from 26 November 2024 from a different garage confirmed the brake discs needed replacing. It said there were signs of excessive heat damage. At this point the car had travelled 38,412 miles which was 798 miles more than on collection. Whilst this isn't necessarily a significant amount of miles, the supplying dealer explained excessive heat damage can be caused by driving style including aggressive braking. I understand it's possible for such damage to occur in the miles which had been covered since Miss C acquired the car.

Taking everything into consideration, I'm not satisfied the issue with the brake discs and pads were present and developing at the point the car was supplied or that the parts weren't sufficiently durable. The evidence indicates these parts were in a good or fair condition after Miss C had possession of the car. I'd also note these are items which are subject to wear and tear. In any event, the report from 26 November 2024 indicates there was evidence of

excessive heat damage which wasn't noted in previous inspections and seems to be due to driving style. Therefore, I can't say the car was of unsatisfactory quality at the point of sale.

#### *Brake fluid light illuminated*

Miss C said she first noted the brake fluid light shortly after collecting the car and purchased brake fluid to top it up. There is no mention of this in the vehicle health check report from 23 September 2024 or in other correspondence at this time. The car was also returned to the supplying dealer on 26 September 2024 where repairs were undertaken. She has said she was later advised to get an oil change because of the brake fluid light and did so. But I've not seen a report explaining this. When the car was inspected following the complaint, there was no evidence of the brake light being illuminated (or any other lights on the dashboard). I appreciate Miss C will be significantly disappointed by this, but I can't conclude from the evidence I have that there is a fault here which made the car of unsatisfactory quality.

#### *Smoke from engine*

Miss C has reported white/blue smoke from the engine. She took it to a local garage who inspected the car on 5 February 2025. There isn't a report from the local garage, but Miss C has provided a snippet which said:

*"The vehicle came into us and we found engine was burning excess oil recommended that the engine was stripped but suspected engine will more likely need replacing."*

There were no further details included with this snippet and I understand the local garage inspected the car for free. This is why there isn't a report. I'd also note the recommendation was to strip the engine for further investigation. It also said it *suspected* the engine would need replacing. Whilst it found this to be more than likely, there was scope for further investigation and so it doesn't seem to be a definitive conclusion.

The local garage didn't undertake repairs and instead Miss C reported the issue to Oodle. Oodle arranged for the car to be inspected by the garage. I have reviewed the inspection report completed on 24 May 2025. It stated:

*"No leaks observed above engine or under with vehicle..."*

*"Advised to check for oil leaks – none observed.  
Checked vehicle while cold – none observed. Road test  
Concluded and then re-checked. No leaks observed  
Oil level remained the same before and after test."*

The garage has provided video evidence of the car running which showed no warning lights displayed. From the report, I can see a road test was also completed. No issues were identified during the inspection.

Additionally, an emissions test was also conducted on 20 March 2025. The test indicated the emissions were within acceptable levels. Oodle have confirmed the emissions test was conducted on a calibrated and approved specific machine. It said the reading cannot be influenced and it provided evidence of the car being fault free.

Miss C has also noted the emissions test couldn't be completed when the car was MOT tested on 5 September 2024. However, the car went on to pass the MOT on 6 September 2024. Whilst I've considered everything that Miss C has said about the limitations of the inspection and emissions test (as well as the independency of the

investigation), I must weigh up the evidence I have. Having done so, I'm unable to conclude there is a present fault with the car. The evidence I've seen shows the car has been inspected and no fault has been found. This includes a report (which included findings following a road test), video evidence and an emissions test. Taking everything I've seen into consideration, I'm satisfied the issues raised by Miss C have been reasonably investigated by Oodle and there doesn't seem to be a present fault with the car. In the circumstances, I can't say Miss C ought to be able to reject the car.

### *Service issues*

Miss C raised concerns about the car in February 2025. She provided more detail to Oodle on 11 February 2025. She has said she was anxious because she felt she had been belittled by the supplying dealer. She also said there was confusion around the collection of the car, and I can see this from the correspondence I've been provided. Notably, she'd asked to not be contacted by the dealer garage and explained how this was impacting her. However, Oodle asked it to contact her to arrange collection. Therefore, I think Oodle should put things right and I'll explain how below.

I appreciate Miss C's concerns about the correspondence she has received from Oodle whilst the complaint has been ongoing. However, she still has obligations under the agreement which was entered into and its not unreasonable for Oodle to contact her about this. I'm mindful the car remains at the garage, and the agreement states the car needs to be kept under Miss C's control and in good condition. Whilst it is at a garage, the garage has confirmed no repairs are necessary and so its reasonable for Oodle to have contacted Miss C about this.

### Summary

There was a fault with the battery and bonnet catch which I think made the car of unsatisfactory quality at the point it was supplied. Miss C had only travelled 81 miles, and I think it's unlikely these issues developed in this time. It's more likely they were present and developing at the point of sale. However, repairs were undertaken and Miss C seems to have accepted this at the time.

There were other issues with the car including the key batteries as well as the brake discs. However, Miss C repaired these of her own accord and doesn't seem to have returned to the dealer or Oodle. In any event, I'm not satisfied from the evidence I've seen the issue with the brake discs and pads was present and developing at the point of sale and that it made the car of unsatisfactory quality. So, I won't be asking Oodle to do anything further here.

Miss C has said there remains a fault with the car because the brake light is illuminated and there is blue/white smoke from the engine. This has been investigated and I'm unable to conclude there is likely to be a fault present with the car from the evidence I've seen.

### **Putting things right**

I have thought about Miss C's rights as outlined in the CRA 2015 to decide what's fair and reasonable in the circumstances of this complaint. I'll explain how I've decided Oodle should put things right.

Miss C raised the issue with the loose battery and bonnet catch within 30 days of acquiring the car. I am mindful she called a mobile mechanic to come and inspect the car. He completed a vehicle health check. As she wouldn't have incurred the costs associated with this but for the quality of the car, I think Oodle should cover the cost of this. The invoice shows a total paid of £110.38.

However, Miss C later took the car to the dealership, and I'm satisfied she accepted repairs. Therefore, I can't say she should now be able to reject the car because of these issues. Miss C went on to get some further work carried out on the car. I've been unable to conclude there remains a fault with the car or that repairs were unsuccessful. So, I can't say she should now be able to reject it.

Oodle have already paid Miss C £100 compensation. This was to support with the costs of collecting the car. However, I think there was some further distress and inconvenience caused when Miss C notified Oodle of her complaint and the issues she was having with the car. Therefore, I think it's reasonable for Oodle to pay a further £150 in resolution of this matter.

Additionally, Oodle recovered the car from Miss C in order to inspect it. In the circumstances and given what Miss C told Oodle about her personal circumstances, I think it would also be fair and reasonable for it to arrange the return of the car to her at no further cost.

I am satisfied this is fair and reasonable in all of the circumstances. I understand Miss C will be considerably disappointed with the outcome of my decision. However, for the reasons I've explained, I can't say Oodle should allow her to reject the car. I'm also unable to say Oodle should store the car for her. I know she does not want the car returned to her under any circumstances, and this is something she will now need to contact Oodle about to discuss her options. I'd also remind Oodle that it needs to treat Miss C with reasonable forbearance and due consideration.

Therefore, to put things right Oodle Financial Services Limited should:

- Cover the cost Miss C incurred of the vehicle health check and inspection from the mobile mechanic on 23 September 2024 upon receipt of sufficient proof of payment from Miss C;
- Pay 8% simple yearly interest\* on the refunded amount from the date of payment to the date of settlement;
- Pay Miss C a further £150 compensation; and
- Arrange for the car to be returned to Miss C at no further cost to her.

\*If Oodle considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss C how much it's taken off. It should also give Miss C a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs.

### **My final decision**

For the reasons outlined above, I'm partly upholding this complaint and Oodle Financial Services Limited should put things right in the way outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 14 November 2025.

Laura Dean  
**Ombudsman**