

The complaint

Miss M complains about the quality of a vehicle she acquired through a hire purchase agreement financed by Oodle Financial Services Limited (Oodle).

What happened

In May 2024 Miss M acquired a used car through a hire purchase agreement. The car was about six years old, and it had travelled around 75,000 miles at the time of supply.

Miss M took the car for a scheduled service in January 2025. During that service, it was found that the engine oil level was low, and there was an excessive build up of metal filings on the magnet attached to the sump plug. The service centre noted there were possibly two oil leaks and Miss M was told the vehicle would need a new engine.

Miss M complained to Oodle about the quality of the car in February 2025. Oodle told Miss M she'd need to provide a report identifying what the fault was, and whether it was present at the time she acquired the car.

In early February 2025 an engineer inspected Miss M's car. They noted that there was a slight knocking noise from the engine and there were two significant oil leaks, one from the lower area of the vehicle and one from underneath the turbocharger toward the rear of the engine. They concluded, in summary, that the fault was a result of the engine being run on below required amount of oil, causing damage. The engineer said that as Miss M had been able to drive the car for around eight months and 15,000 miles, they didn't think the fault was present or developing at the point that Miss M acquired the car. They also didn't think that a previous repair to the turbo was related to the current fault.

In Late February 2025 the car was inspected by a manufacturer dealer. They concluded, in summary, that the turbo was showing signs of an oil leak and they didn't think a previous repair to the turbo has been completed to the correct standards. They said the oil feed and return pipes weren't replaced at the same time and build up in these pipes led to leaking oil and the failure of the engine.

Oodle told Miss M that if the fault was related to a previous repair not done by the dealership, they wouldn't be able to support her complaint. They also asked the dealership for their comments on the reports.

In March 2025 the dealership provided their comments, along with comments from a master technician for the manufacturer. The technician said, in summary, that the previous repair to the turbo appeared to have followed workshop procedures, and they didn't think a problem with the oil feed pipe had caused the engine to fail. They said the engine suffers from high oil dilution due to failed diesel particulate filter regenerations, and as it hadn't been serviced in line with manufacturer recommendations, this might've caused it to fail. The technician said, based on the fault codes found at the service in January 2025, the fault was likely due to a timing chain issue.

Oodle sent Miss M their final response to her complaint in April 2025. They said they didn't agree the fault was related to the previous repairs, and it wasn't present or developing at the point of sale, so they declined Miss M's complaint.

Unhappy with this response, Miss M brought her complaint to this service for investigation. She said she believed the fault was related to poor repair work completed prior to sale, and she wished to have the car repaired, or to reject it.

Our investigator gave their view that they were persuaded by the master technicians report, that the fault was likely related to a timing chain issue, and as this is a serviceable part it was fair wear and tear, so they thought the car was of satisfactory quality when it was supplied to Miss M, and they didn't ask Oodle to do anything more.

Miss M didn't agree, she questioned the weight placed on the master technicians' comments when they hadn't inspected the car, and their qualifications hadn't been verified. Miss M also explained that she'd returned the car under a voluntary termination arrangement with Oodle.

As an agreement can't be reached, the case 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.

In considering what's fair and reasonable, I need to have regard to the relevant law and regulations. The agreement in this case is a regulated hire purchase agreement – so we can consider a complaint relating to it. Oodle as the supplier of the goods under this type of agreement is responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) is relevant to this complaint. It says that under a contract to supply goods, there is an implied term that the "quality of the goods is satisfactory"

To be considered "satisfactory" the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and other relevant factors. Those factors, in the case of a car purchase, will include things like the age and mileage of the car at the time of sale, and the car's history. The quality of the goods includes their general condition and other things like their fitness for purpose, appearance and finish, safety and durability.

Here the car was acquired used with a cash price of around £21,000. It was about six years old and had travelled around 75,000 miles at the time of supply.

When a person acquires a used car like Miss M's it's reasonable to say that the expectation of quality is lower than that of a new or lower mileage second-hand car. The price for the vehicle is lower, and this is reflective of the fact that the car is more road-worn. The chance of encountering an issue sooner, is higher.

There have been three expert opinions issued in respect of Miss M's car, and all conclude that a new engine is required, so I'm satisfied that there is a fault. What I need to decide is whether that fault made Miss M's car of unsatisfactory quality at the time it was supplied to her.

Miss M's car was around seven years old and had travelled about 90,000 miles at the time of the failure. There is conflicting testimony about what has caused the fault with Miss M's car,

with three engineers offering different conclusions. There are suggestions that a previous repair wasn't completed in full, that the fault is caused by the engine running on low oil, and that there could be an issue with the timing chain. Based on these reports, I can't say for sure exactly what has led to the fault with Miss M's car.

I've considered the history of Miss M's car, and I recognise that it has an incomplete service history. The manufacturer recommends minimum service intervals of two years or 21,000 miles, whichever is soonest. The first service recorded was at three and a half years and around 44,000 miles. And so, Miss M's vehicle had already been subject to far more wear and tear than one with a full-service history prior to her acquiring it.

The car was serviced again at around 68,000 miles prior to Miss M acquiring it. Miss M then submitted the car for a service when it'd travelled around 90,000 miles so this service was also outside of the manufacturer recommended timeframes. Where a vehicle is not serviced in line with manufacturer recommended timeframes, the vehicle will experience accelerated wear and tear usually due to poor quality or low oil.

Miss M was able to drive the car for around eight months and 15,000 miles before encountering an issue and, given its history, it's been subject to more accelerated wear and tear than a well-maintained vehicle would've been. Generally, in the round, I think Miss M has been able to use the car for a reasonable period of time before the fault occurred. And, whilst the cause of the fault isn't clear, I think a reasonable person would expect that some significant repairs might be required on a vehicle of this age and mileage that has been subject to accelerated wear and tear.

As a result, I find that the car was of satisfactory quality at the time it was supplied to Miss M. Whilst what has happened is unfortunate, it is the risk of owning an older, higher mileage second-hand car with an incomplete service history like this one. I appreciate that having a car that requires repairs is stressful, and may be an expensive, experience for Miss M. That doesn't mean that Oodle are responsible for the cost of repairs.

I understand that Miss M returned the car under a voluntary termination (VT) arrangement with Oodle but wasn't happy with the amount left to pay under the agreement. The VT was not the subject of this complaint and so I haven't considered it here. If Miss M remains unhappy with the VT arrangement, she may wish to complain to Oodle directly about it.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 17 December 2025.

Zoe Merriman
Ombudsman