

The complaint

Mr A complains that a car he acquired with finance from Oodle Financial Services Limited trading as Oodle Car Finance ('Oodle') wasn't of satisfactory quality.

Mr A is represented in the complaint, but I'll refer to everything that's been said on his behalf as if he said it himself, to keep things simple.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

In January 2024 Mr A entered into a hire purchase agreement with Oodle for a used car. The car was 12 years old with a cash price of £5,943. Mr A experienced multiple issues with the car and arranged for an independent inspection to be carried out.

Mr A complained in November 2024, but Oodle failed to issue its final response within the eight-week timeframe.

In March 2025 Oodle wrote to Mr A with its findings and supported rejection. It told Mr A he would be liable to pay £910.00 by way of a mileage charge. It also agreed to reimburse Mr A £177.60 for travel costs Mr A incurred.

Mr A remained unhappy, he didn't think it was fair that Oodle was expecting him to pay the excess mileage charge, so he didn't return the car and referred his complaint to this service

Our investigator looked into things; he upheld the complaint and amongst other things said Oodle acted unfairly in applying the mileage charge as this wasn't provided for in the contractual terms and conditions. He didn't think Oodle needed to do anything more by way of reimbursing Mr A for travel costs nor did he think it should refund the cost of replacement tyres Mr A paid for. But he did recommend it pay a refund for the independent inspection as well as £200 for the distress and inconvenience caused.

Oodle agreed with our investigator's opinion, but Mr A didn't, he said Oodle needed to do more to put things right, as an agreement couldn't be reached 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've reached the same overall conclusions as our investigator and for broadly the same reasons. I know this will come as a disappointment to Mr A, but I will explain my reasons below.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes informally.

Oodle has already accepted a rejection of the car, so I won't be making a finding on whether the car was of satisfactory quality. Instead, I'll focus on whether Oodle has done enough to put things right for Mr A.

When a car is rejected, it's generally the case that the deposit and all or some of the monthly payments are refunded, depending on whether the consumer has been able to use the car. If the consumer has been able to use the car, then a deduction for usage is normally made. If a courtesy car is provided, this is also taken into account when looking at whether a refund of monthly payments should be made.

In this case I can see Oodle has already paid Mr A the cost of the independent inspection. It agreed with our investigator to end the agreement and collect the car, refund Mr A's deposit and refund all rentals paid since October 2024. It also agreed to pay £200 in compensation for the distress and inconvenience caused as well as removing any adverse information from Mr A's credit file in relation to the agreement.

I believe it is important to make the following point clear. While I understand why Mr A may have been reluctant to make a payment for a charge that he felt was unfair, I don't consider it reasonable that he chose not to return the car. Under these circumstances, I would have expected Mr A to take reasonable steps to mitigate his losses by returning the vehicle once Oodle had accepted the rejection.

It is noted that Mr A mentioned he was not in a financial position to make this payment; however, there is no evidence to suggest that Oodle requested the payment upfront, nor that the return of the vehicle was conditional upon the payment being made beforehand. Given that Oodle has already agreed to waive the mileage charge I will not expand further on this specific point.

I also acknowledge that Mr A wished to be reimbursed for his travel expenses, and this is something that I would ordinarily take into consideration. However, based on the information available it appears that Mr A stopped making payments towards the vehicle and therefore I cannot conclude that he has been paying for a car from which he derived no benefit. So, it follows that I don't think Oodle should be responsible for reimbursing Mr A's alternative transport costs during the period in which he was without the vehicle.

Mr A has further requested reimbursement for the cost of the new tyres he purchased in August 2024. He explained that the car soon developed issues and failed its MOT shortly after, preventing him from obtaining full use of the tyres.

While I empathise with his position tyres are considered general wear and tear items that require periodic replacement. I note that from the time he acquired the vehicle to the point the tyres were changed Mr A had driven over 10,000 miles. This indicates that he did derive a reasonable amount of use from the original tyres provided and so it's only fair he is responsible for replacing them.

Ordinarily under the circumstances of this complaint I would've asked Oodle to bear the cost of the independent inspection which Mr A arranged and paid for. But Mr A confirmed it has already done this, so no loss has been incurred here.

I also acknowledge the stress and inconvenience caused by the situation, particularly as Mr A was left without use of a car for an extended period. While compensation in these cases is not an exact science and each case must be considered individually, I believe an award of £200 is broadly appropriate and in line with what I would have recommended had no recommendation been made. In my view this amount reflects fair compensation for the distress and inconvenience suffered by Mr A as a result of being supplied with a car of

unsatisfactory quality.

Oodle has offered to reimburse Mr A for some travel costs he incurred whilst not having use of the car, if Mr A is willing to accept this, he should get in touch with Oodle directly.

Putting things right

So, to put things right Oodle should:

- End the agreement ensuring Mr A is not liable for any monthly payments after the point of collection (if any payments are made, these should be refunded).
- Collect the car at no collection cost to Mr A.
- Refund Mr A's deposit contribution.
- Reimburse Mr A monthly repayments made from October 2024 to the date of settlement.
- Pay 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement.
- Pay £200 in compensation for the distress and inconvenience caused.
- Remove any adverse information about this agreement from Mr A's credit file.

My final decision

My final decision is that I uphold this complaint and direct Oodle Financial Services Limited trading as Oodle Car Finance to put things right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 December 2025.

Rajvinder Pnaiser
Ombudsman