

The complaint

Mr A complains that a car that was supplied to him under a hire purchase agreement with Oodle Financial Services Limited, trading as Oodle Car Finance, wasn't of satisfactory quality and about other issues arising from the hire purchase agreement.

What happened

A used car was supplied to Mr A under a hire purchase agreement with Oodle Car Finance that he electronically signed in January 2024. The price of the car was £8,789 and Mr A agreed to make a payment of £320.33, 58 monthly payments of £270.33 and a final payment of £320.33 to Oodle Car Finance.

Mr A complained to Oodle Car Finance about issues with the car in March 2025 and it arranged for the car to be inspected by an independent expert in April 2025. Oodle Car Finance then said that it was unable to uphold his complaint as it couldn't agree that the faults were present or developing at the point of sale. Mr A voluntarily terminated the hire purchase agreement and returned the car to Oodle Car Finance, but he complained to it in August 2025 about the service that he'd received. It upheld his complaint as it had incorrectly advised him of the wrong voluntary termination liability. It apologised for that and paid him £100 compensation for the inconvenience caused.

Mr A wasn't satisfied with its response, so referred his complaint to this service. His complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that she hadn't seen evidence to suggest that there was a fault present or developing when Mr A was supplied with the car and she thought that Oodle Car Finance had clearly outlined Mr A's options and he chose to voluntarily terminate the hire purchase agreement. She thought that Oodle Car Finance's offer to pay him £100 compensation was fair and she didn't think that it needed to do anything more.

In response to further comments from Mr A, the investigator then said that she didn't think that Oodle Car Finance acted unfairly by not granting a payment plan for the outstanding arrears in May 2025. Mr A hasn't accepted the investigator's recommendation, so I've been asked to issue a decision on his complaint. He says, in summary and amongst other things, that:

- he had issues with the car's head light in March 2024, the fan in May 2024, the battery in December 2024 and the oil light came on in March 2025 and the engine failed, and he told the dealer and Oodle Car Finance about each of those issues; and
- Oodle Car Finance forced him into doing a voluntary termination or getting a default on his credit file, so he had no choice and will be out of pocket by about £12,000 with no car to show for it.

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.

Oodle Car Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr A. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr A was first registered in March 2017, so was nearly seven years old, it had been driven for about 68,500 miles and the price of the car was £8,789. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time, but exactly how long that time is will depend on a number of factors.

The car had passed an MOT test in December 2023, before it was supplied to Mr A. Its mileage was recorded at the time of the MOT test as 68,526 miles and there was an advisory about the car's undertray. Mr A said that he had issues with the car's head light in March 2024, the fan in May 2024 and the battery in December 2024, and Oodle Car Finance's contact notes show that when he contacted it in May 2024 about his account, he mentioned an issue with the light turning from white to yellow. I don't consider that that would properly be considered to be a complaint about the quality of the car and I'm not persuaded that there's enough evidence to show that he complained to Oodle Car Finance about issues with the car until March 2025.

Oodle Car Finance arranged for the car to be inspected by an independent expert in April 2025. The inspection report records the car's mileage as approximately 92,000 miles and says: the issues wouldn't have been present or developing at the point of sale; the issues that had occurred hadn't prematurely failed; the liability for the repairs should lie with Mr A; the presented issues weren't linked to any past repairs conducted; and the present issues weren't due to poor repairs. Mr A has provided evidence from after the date of the inspection to show that there were issues with the car, and he then voluntarily terminated the hire purchase agreement and the car was collected from him in July 2025.

Mr A had been able to use the car from January 2024, when it was supplied to him, until March 2025, when it was inspected, and in that time it was driven for about 23,500 miles. The inspection report says that the issues with the car wouldn't have been present or developing when the car was supplied to Mr A. The car was nearly seven years old and had been driven for about 68,500 miles when it was supplied to Mr A and it had passed an MOT test. I don't consider that the car could have been driven for 23,500 miles in about fourteen months if it hadn't been of satisfactory quality when it was supplied to Mr A. There have been issues with the car, but I'm not persuaded that there's enough evidence to show that those issues caused the car not to have been of satisfactory quality when it was supplied to Mr A.

Oodle Car Finance says that Mr A contacted it in May 2025 to discuss a payment arrangement. It says that Mr A's payment offer was declined due to a number of previous broken payment arrangements showing lack of financial resilience. Mr A says that he only broke payment arrangements twice, once due to illness and the other due to his employer delaying payments. I'm not persuaded that Oodle Car Finance was required to accept Mr A's payment offer in May 2025 or that it acted incorrectly in not accepting it.

Mr A discussed a voluntary termination of the hire purchase agreement with Oodle Car Finance in June 2025 and it explained the options under that agreement to him. Mr A sent an email to Oodle Car Finance later that month saying that he wanted to voluntarily terminate the hire purchase agreement. I'm not persuaded that Mr A was unfairly pressurised into voluntarily terminating the agreement. Oodle Car Finance accepts that Mr A was incorrectly advised about his voluntary termination liability during a phone call and by email in August 2025. It says that the service that he received fell below the standards it aims to provide. It apologised for that and paid £100 to Mr A as compensation for the inconvenience caused.

I consider its apology and £100 compensation to be a fair and reasonable response to the customer service issues and I don't consider that any further compensation is justified in these circumstances. Other than that, I'm not persuaded that there's enough evidence to show that Oodle Car Finance acted incorrectly in connection with the voluntary termination of the hire purchase agreement.

I've carefully considered all that Mr A has said and provided about his complaint, including his responses to the investigator's recommendation, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Oodle Car Finance to take any further action in response to his complaint.

My final decision

My decision is that I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 May 2026.

Jarrold Hastings
Ombudsman