

The complaint

Mr G is unhappy that a car supplied to him under a hire purchase agreement with Oodle Financial Services Limited (Oodle) was of an unsatisfactory quality.

What happened

In March 2025 Mr G was supplied with a used car through a hire purchase agreement with Oodle. The agreement was for £9,597.40 over 60 months; with 58 monthly payments of £158.29 and two monthly payments of £208.29. At the time of supply, the car was around nine years old, and had done 77,000 miles.

Mr G said that in May 2025 the cambelt snapped causing catastrophic engine failure. He said a report showed that the fault was present before he acquired the car. He said Oodle and the supplying dealer had offered to repair the car, but he wanted to reject it.

Oodle upheld Mr G's complaint. They said that an independent engineer had confirmed the fault, and that the damage was present at the point of sale. They said they'd been discussing this with the finance broker and the supplying dealer. Oodle confirmed they were supporting the supplying dealer's right to repair. They said Mr G told them he didn't think the repairs would resolve the issue.

They said they would arrange for the car to be collected, and returned to him after the repairs had been completed.

They said they would refund three monthly payments to Mr G due to the time he had been without use of the car. They also agreed to pay him £200 to compensate for the time it had taken to resolve his complaint.

Mr G was unhappy with this response, so he referred his complaint to our service for investigation.

One of our investigators said that he didn't feel a delay of two to three months was unreasonable enough to justify rejection. He said that Oodle should have the opportunity to repair the car. He did say that Oodle should pay an extra £100 to reflect the distress and inconvenience caused to Mr G.

Mr G didn't agree with the investigator. He said he had no faith that the correct repair would be carried out as the dealer had sold the car with known faults. He said he felt he was being forced into accepting a repair. He said he now had a broken car sat on his driveway blocking his other car for more than six months.

On 5 January 2026 Mr G agreed to the car being repaired. On 2 February 2026 he informed our investigator that the car had still not been collected, so he now wanted to reject the car.

Oodle disagreed – they said the delay was because of a specialist transporter was not available at the time, and this was out of their control.

One of our investigators reviewed the matter and issued a second opinion. She said that taking into account the delays and inconvenience it was now fair that Mr G be able to reject the car.

Oodle disagreed. They said that they have the right to repair, and should be allowed that one opportunity to repair. They said they wouldn't accept rejection at this stage unless they find the repairs are uneconomical. They said the dealer was still willing to carry out the repair.

They acknowledged there had been a delay due to the need for a specialist recovery vehicle, but said they'd increased their compensation offer to reflect this.

They also said that Mr G had delayed matters, and hadn't mitigated his losses. They said his continued refusal to allow repairs and insistence on rejection delayed the matter since August 2025.

Because Oodle didn't agree, this matter has been passed to me to make a final 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr G was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr G entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

So, if I thought the car was faulty when Mr G took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Oodle to put this right.

Undisputed Fault

In this instance, it's not disputed the car Oodle supplied to Mr G was faulty. The independent engineer confirmed that the wet timing belt had been displaced, and the subsequent damage meant that the engine needed to be replaced. He also confirmed that the fault was developing prior to the car being supplied to Mr G.

As such, I'm satisfied that I don't need to consider the merits of this issue within my decision.

The key issue I need to consider is what I think Oodle should do to put things right. Mr G wants to reject the car, but Oodle say they have the right to repair the car.

Delay in Repair

Section 23 of the CRA states:

*If the consumer requires the trader to repair or replace the goods, the trader must –
(a) do so within a reasonable time and without significant inconvenience to
the consumer*

There is no doubt that there has been significant delay in resolving this complaint. At the time of writing, the car has been sat unused for eleven months. I understand that Mr G continued to make his monthly payments during this time, despite the obvious negative impact this would likely have had on the car's condition.

Using Oodle's own timeline as set out in their final response letter of 5 September 2025, I'd say there were delays at that point.

Mr G first reported the fault with the car on 23 May 2025. Oodle emailed him on 5 June 2025 to request information – information that he'd already provided. An independent report was completed and received on 22 July 2025. By this point Mr G had no use of the car for eight weeks. It wasn't until 4 September 2025 that Oodle informed Mr G that they would not accept rejection – 15 weeks after he informed them he was unable to use the car due to the failure of the engine.

In their own notes, Oodle accept that there were long delays due to the lack of engagement from the dealer.

It appears that there was some doubt as to what work the dealer would carry out to repair the car. This is despite the independent engineer stating that the engine needed to be replaced. Mr G was reasonably concerned about what work the dealer would do to repair the car, especially given the awareness of the preexisting fault in the MOT test. So I think his concerns were genuine and his questions were reasonable.

On 5 January 2026 Mr G agreed to allow the dealer to collect the car for the repair to be done. But as our investigator highlighted, there were more delays. By 2 February 2026 the car had still not been collected. So the dealer had not yet seen the car to carry out its own review – and we don't know how long this would take, especially given the earlier delays it caused.

Oodle said that Mr G contributed to the delays by his refusal to accept repairs. I've explained above why I don't think Mr G's actions were unreasonable. He was understandably concerned about how the repair would be carried out, and expressed his preference for rejection. He used his right to raise his complaint with this service.

Section 23 of the CRA is clear that repairs must be done in a reasonable time. I don't think that happened here – the initial 15 week delay was not reasonable, and caused by delays between Oodle and the third party firms involved. The further delays in January 2026, again caused by third parties, meant that by February 2026, the repair had not started, or even planned.

Section 23 of the CRA also states that the repair must be done without significant inconvenience to the consumer. That has not happened here – Mr G had told Oodle of the inconvenience the delay was causing, including the car blocking in another car, preventing him using this as an alternative mode of transport. He has also explained the wider

implications, including those related to his health condition, and the potential breach of his tenancy agreement.

So it is arguable that Oodle failed to comply with Section 23(2)(a) of the CRA. So, in these particular circumstances, I think it reasonable that Mr G should be able to reject the car.

I do note that Oodle agreed to an expert report and offered to consider repairs. They also agreed to refund monthly payments for the time the car was off the road, and offered an extra payment to compensate him for the delays. I can see that they did pursue the third parties involved. However, as the regulated firm that supplied the car to Mr G, they were responsible for ensuring the matter was remedied without undue delay. I think they could have looked to rejection sooner here.

Putting things right

Payment Refund

The car has been off the road and undrivable since 23 May 2025. During this period, Mr G wasn't supplied with a courtesy car. As such, he was paying for goods he was unable to use. As, for the reasons already stated, I'm satisfied the car was off the road due to it being of an unsatisfactory quality when it was supplied, and as Oodle failed to keep Mr G mobile, I'm satisfied they should refund the payments he made from 23 May 2025 to the date of settlement.

Repair Costs

Mr G provided evidence of the cost he incurred in having the car inspected. And, given that the car wasn't of a satisfactory quality when supplied, I think it's only fair that Oodle reimburse that cost.

Distress & Inconvenience

Mr G has been inconvenienced by having a car that he has been unable to use, and the delays referred to above. This distress and inconvenience was because Oodle supplied him with a car that was not of a satisfactory quality. So, I think Oodle should pay him £200 in compensation to reflect the distress and inconvenience caused.

Therefore, Oodle should:

- end the agreement with nothing more to pay;
- collect the car at no cost to Mr G;
- remove any adverse entries relating to this agreement from Mr G's credit file;
- refund the monthly payments made for the period from 23 May 2025 to the date of settlement;
- Refund Mr G the £21 cost for the diagnostic report;
- apply 8% simple yearly interest on the refunds, calculated from the date Mr G made the payment to the date of the refund[†]; and
- pay Mr G an additional £200 to compensate him for the distress and inconvenience caused by being supplied with a car that wasn't of a satisfactory quality.

†If Oodle considers that tax should be deducted from the interest element of my award, they should provide Mr G with a certificate showing how much they have taken off so he can reclaim that amount, if he is eligible to do so.

My final decision

For the reasons explained, I uphold Mr G's complaint about Oodle Financial Services Limited, and they are to follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 8 May 2026.

Gordon Ramsay
Ombudsman