

The complaint

Mr B complains that the purchase price on his finance agreement with Oodle Financial Services Limited is incorrect.

What happened

In February 2023 Mr B was supplied with a car and entered into a hire purchase agreement with Oodle.

After the agreement commenced, Mr B raised a complaint with Oodle. He said that the vehicles purchase price was stated incorrectly because it said £19,900 instead of £19,000. Mr B said that this had resulted in him paying an extra £900 to the dealership. He asked Oodle to refund him the sum of £900.

Oodle didn't uphold the complaint. It said it couldn't find any evidence of an error on the agreement.

Mr B remained unhappy and complained to this service. He said that although the documentation states that he paid £19,900 for the car, he actually paid £20,800. Mr B said he'd received a part exchange value of £900 for his old car and he'd also paid a further £900 to the dealership.

Our investigator didn't uphold the complaint. She said the finance agreement clearly stated that the cash price of the car was £19,900, and that there had been a part exchange for £900, meaning that the credit amount was £19,000. The investigator said that she couldn't find an error and wouldn't be asking Oodle to take any further action.

Mr B didn't agree. He said he'd contributed £1800 towards the car, £900 part exchange and £900 cash. He provided a screenshot from his banking app showing that he'd paid £900 to the dealership on 25 February 2023.

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.

I've looked at the hire purchase agreement. This states that the total amount of credit is £19,000 repayable over 60 months by an initial instalment of £491.59 followed by 58 monthly instalments of £441.59 followed by a final instalment of £491.59. the total amount payable under the agreement including the charge for credit is £27,495.40.

The hire purchase agreement states that the cash price of the car was £19,900, minus a deposit/advance of £900, resulting in a credit amount of £19,000.

Mr B has provided a copy of the advertisement for the car. The advertised price was £20,800. He's also provided an invoice addressed to him from the supplying dealer which states that the vehicle price is £20,800. Mr B says that he received a part exchange value of £900 for his old car and that he paid a further £900 to the dealership.

I've considered all of the documentation, but I can't see that Mr B has been overcharged here or that any refund is due. The price of the car was £20,800. Mr B received £900 part exchange value for his old car ($£20,800 - £900 = £19,900$) and made a cash contribution of £900 ($£19,900 - £900 = £19,000$). The amount to be financed was therefore £19,000.

On the basis of what I've seen, there isn't an error in the hire purchase agreement and Mr B isn't due a refund.

Mr B has made the point that the purchase price of the car in the hire purchase agreement is £19,900. He thinks this should be changed to £20,800.

I understand the point that Mr B is making here. However, Oodle has produced the finance agreement based on the information it was provided with from the dealership. And Mr B signed the pre credit information document to say that the figures were correct. I can't fairly say that Oodle has made an error because it has used the figures it was provided with.

Even if the finance agreement was amended to show a purchase price of £20,800 minus the part exchange of £900 and the cash contribution of £900, this would make no difference to the current position, because the amount to be financed would still be £19,000. No refund would be due to Mr B.

For the reasons I've explained, I'm unable to say that there's been an error by Oodle.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 October 2023.

Emma Davy
Ombudsman