

## **The complaint**

Ms A complains about the adverse information that FirstRand Bank Limited, trading as MotoNovo Finance, has recorded on her credit file in relation to a hire purchase agreement under which a car was supplied to her.

## **What happened**

A used car was supplied to Ms A under a hire purchase agreement with MotoNovo Finance that she electronically signed in August 2016. She agreed to make 47 monthly payments of £336.90 and then a payment of £635.90 for the car to be supplied to her. She didn't make all of those payments and she says that MotoNovo Finance recorded adverse information on her credit file relating to payments from October 2019 to June 2020.

She provided evidence to show that she's made payments of £368.23 by direct debit to MotoNovo Finance from November 2019 to April 2020 and that she'd made a claim under a payment protection insurance policy and that the insurer had made payments to MotoNovo Finance as follows: £1,017.87 in May 2020, £675.94 in June 2020, £368.23 in July 2020, £305.57 in August 2020 and £338.27 in September 2020. Ms A also says that the finance agreement has now been settled in full.

She complained to MotoNovo Finance but it said that her GAP insurance payments were being received later than the agreed payment due date. Ms A wasn't satisfied with its response so complained to this service.

Our investigator recommended that her complaint should be upheld. She was satisfied that Ms A had made the payments between November 2019 and April 2020 so they shouldn't be recorded as missed payments. She said that payments were then made under a payment protection insurance policy (so weren't GAP insurance) and she was satisfied that, whilst the payments weren't made by the payment due date, they were made and she didn't think that it was fair for MotoNovo Finance to have reported that those payments were missed. She said that she'd not seen evidence that the October 2019 payment had been made so she thought that it was fair and reasonable for MotoNovo Finance to report it as missed.

She recommended that MotoNovo Finance should remove any adverse information that it had reported from November 2019 to June 2020 (and, if it had reported any further adverse information relating to any further payments that were being made under the payment protection insurance policy, it should also remove that information). Ms A has accepted those recommendations but MotoNovo Finance hasn't responded to our investigator's findings.

## **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 agree with the conclusions reached by our investigator for these reasons:

- Ms A has provided evidence to show that she made the payments described above between November 2019 and April 2020 – and those payments are shown on the account statement that has been provided by MotoNovo Finance – so I don't consider that it's fair or reasonable for it have recorded adverse information about those payments on her credit file;
- Ms A has described the health issues which led to her claim under her payment protection insurance policy – I sympathise with her for those health issues and can see that the insurance payments described above are also shown on the account statement so were received by MotoNovo Finance;
- the insurance payments weren't made by the payment due date but they were received by MotoNovo Finance and I don't consider that it was fair or reasonable in these circumstances for it to have recorded adverse information about those payments on Ms A's credit file;
- I've not seen evidence to show that the October 2019 payment has been made by Ms A so I consider that it's fair and reasonable for MotoNovo Finance to record adverse information about that payment on her credit file; and
- Ms A has accepted our investigator's recommendations but MotoNovo Finance hasn't responded to them and I don't see any reason for me to change those recommendations.

## **Putting things right**

I find that it would be fair and reasonable in these circumstances for MotoNovo Finance, to remove any adverse information about the payments that were due from Ms A for the period from November 2019 to June 2020 that it's recorded on her credit file. I also find that it should remove any adverse information that it's recorded about any other payments that have been made under the payment protection insurance policy.

## **My final decision**

My decision is that I uphold Ms A's complaint and I order FirstRand Bank Limited, trading as MotoNovo Finance, to:

1. Remove any adverse information about the payments that were due from Ms A for the period from November 2019 to June 2020 that it's recorded on her credit file.
2. Remove any adverse information that it's recorded about any other payments that have been made under the payment protection insurance policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 10 November 2021.

Jarrold Hastings

**Ombudsman**