

The complaint

Miss S complains that Volkswagen Financial Services (UK) Limited, trading as Audi Financial Services (“VWFS”) have reported missed payments to her credit file and shouldn’t have.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead I’ll focus on giving my reasons for my 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.

I agree with the investigator’s opinion. Please let me explain why.

Where the information I’ve got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I’ve read and considered the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome.

Miss S acquired her car under a hire agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The terms of Miss S’s credit agreement held her responsible for paying any fines and the business has explained that on occasion they will pay those fines on behalf of the consumer and seek to recover the cost..

In July 2021 the business provided their final response to Miss S. They explained that they couldn’t split debts arising from fines from any debts overdue on the account. But they accepted that parking fines aren’t late payments and they said they would remove them when the full balance was paid.

Miss S says they are still being reported to her credit file. She’s provided a screen shot that suggests there may still be missed payments showing on her credit file for November and December 2021. The screen shot isn’t dated and it’s not clear if it’s recent. I’ve reviewed VWFS’s system notes and can see an entry on 8 November 2021 in which they say they have amended all credit files. So, I think the evidence is mixed as to whether missed payments are still being reported but, regardless, I think VWFS should check that no missed payments are being reported to any credit reference agencies.

I can't see that Miss S has been financially disadvantaged by any missed payments being reported. She has not provided any evidence of that so I don't think it would be reasonable to ask VWFS to compensate her.

And, as the fines were always Miss S's to pay under her agreement I don't think VWFS should waive them or any part of them.

Miss S says she had a payment plan arranged with VWFS to pay the debt. The correspondence she's sent shows that conversations were taking place about a payment plan in June 2021, but I can't see that one was agreed. I'd suggest Miss S contacts VWFS to discuss that and I'd expect them to be positive and supportive if Miss S is having difficulty making payment.

Putting things right

VWFS should remove any adverse reports they've made to the credit reference agencies in respect to Miss S not making payment towards her parking/travel fines. If their systems don't allow them not to report markers they should ensure they manually remove the markers as soon as they're made.

My final decision

For the reasons I've given above I uphold this complaint and tell Volkswagen Financial Services (UK) Limited to remove any adverse reports they've made to the credit reference agencies in respect to Miss S not making payment towards her parking/travel fines. If their systems don't allow them not to report missed payments against these debts they should ensure they manually remove the reports as soon as they're made.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before.

Phillip McMahon
Ombudsman