

## **The complaint**

Miss T complains that BMW Financial Services (GB) Limited were wrong to report missed payments to her credit file.

## **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 T acquired her car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

I understand that BMWFS have accepted the investigator's view that they should remove the missed payment markers they placed on Miss T's credit file.

I would also agree with the investigator's view. BMWFS's system notes show that they were reinstating the direct debit in January 2021 when Miss T had asked for a further extension of the agreement. That would seem the logical way for Miss T to pay as it was the method she'd used for the previous extension. If that method was changing I'd expect BMWFS's communication to be very clear. I don't think the email they sent to Miss T on 24 January 2021 was particularly clear; I think, for instance, that they should have mentioned in that email that they were *changing* the method of payment.

I've also not seen any evidence that BMWFS told Miss T she had missed payments or called her to alert her to the situation. So, I don't think it was fair of them to report the missed payments.

I've considered at what point BMWFS should remove the adverse reports from the credit file and I don't think it's unreasonable of them to remove them after Miss T brings her account up to date by paying for the use she's had from the car.

I understand Miss T says that the business allowed her to use the car whilst the complaint was ongoing, and she's explained that she didn't expect to pay for that use. I think it's likely Miss T has had use of the car as the MOT records show the mileage has increased. I'm not persuaded BMWFS told Miss T she could have free use of the car as their system notes don't show that.

It may have been difficult for Miss T to find suitable finance because of the missed payment markers and that may have made it difficult for her to finance the balloon payment. But in those circumstances the car could still have been returned as the agreement had come to an end.

### **Putting things right**

I therefore think BMWFS should remove the missed payment markers from Miss T's credit file when the account is brought up to date.

### **My final decision**

For the reasons I've given above I uphold this complaint and tell BMW Financial Services (GB) Limited to remove the late payment markers they reported to Miss T's credit file in relation to the final three-month contract extension she arranged with them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 22 March 2022.

Phillip McMahon  
**Ombudsman**