

## **The complaint**

Mr F complains about the way in which PSA Finance UK Limited managed his account.

## **What happened**

Mr F entered into a finance agreement with PSA. The first car was faulty, and Mr F was supplied with a replacement car, but didn't receive a new agreement. When the agreement was due to end, Mr F was worried that he had nothing in writing to show that he had made payments towards the replacement car so he withheld his balloon payment and asked PSA to amend his agreement to show the replacement cars details. Mr F says that instead of amending the agreement PSA sent an agent to repossess the car.

I issued a provisional decision in which I upheld the complaint. I said that PSA had failed to communicate with Mr F and explain to him that he wouldn't be getting a new agreement for the replacement car. I found that it was Mr F's concerns about the agreement that led to him withholding his balloon payment. I said that if PSA had advised Mr F that his vehicle details had been amended on the existing agreement, I didn't think Mr F would have cancelled his direct debit or withheld his balloon payment. I found that the first time PSA advised Mr F that his agreement had been amended was after the balloon payment had fallen due, and that as a result of PSA's failure to communicate, Mr F had been caused worry about the payments he was making under the agreement for a period of around two years. I also found that all the issues regarding Mr F's concerns about the car being repossessed stemmed from PSA's failure to communicate as clearly as it should have done. I said that PSA should pay compensation of £250 to Mr F for the trouble and upset caused to him and remove any adverse entries from his credit file in relation to the agreement.

I invited both parties to let me have any further evidence or arguments they wished to make. Neither party has taken issue with my provisional 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.

Neither party has taken issue or made further comments on my provisional decision. Therefore, I see no reason to reach a different conclusion to that which I have set out in my provisional decision.

## **Putting things right**

To put things right, PSA must pay compensation of £250 to Mr F.

## **My final decision**

My final decision is that I uphold the complaint. PSA Finance UK Limited must pay compensation of £250 to Mr F and remove any adverse entries relating to this agreement from Mr F's credit file..

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 29 July 2022.

Emma Davy  
**Ombudsman**