

The complaint

Mr F complains that Suzuki Financial Services Limited won't allow him to make the final repayment for a car that was supplied to him under a hire purchase agreement by credit card.

What happened

I issued a provisional decision on this complaint in August 2022 in which I described what had happened as follows:

"A new car was supplied to Mr F under a hire purchase agreement with Suzuki Financial Services that was dated in March 2018. Mr F agreed to make a payment of £209.58 and 41 monthly payments of £209.62 for the car to be supplied to him and there was a final repayment of £5,370.

Mr F wanted to make the final repayment by credit card in October 2021 but Suzuki Financial Services told him that it didn't accept credit card payments for payments under credit agreements. Mr F complained to it about that but it said that it decided in September 2014 to no longer accept credit card payments against credit agreements in consideration of the Financial Conduct Authority's rules relating to customer credit. It amended the payment date to the end of November 2021 to allow Mr F more time to arrange payment and said that he could discuss the options available to him with its collections department. Mr F wasn't satisfied with its response so complained to this service.

Our investigator didn't recommend that his complaint should be upheld. He didn't feel that Suzuki Financial Services had acted unfairly and he noted that it had discussed a finance agreement to finance the final repayment. Suzuki Financial Services also agreed to put a hold on the account until the investigation is complete.

Mr F says that the letter that he received from Suzuki Financial Services in October 2021 didn't explain the options for making the final repayment and if he'd received a letter detailing payment options then he wouldn't have applied for a credit card and would have looked at other alternatives. He says that the finance agreement that it has offered isn't on favourable terms and he says that he would likely not be eligible for it. He also says that Suzuki Financial Services has recorded adverse information on his credit file".

I set out my provisional findings in my provisional decision which were that: "... Mr F's complaint should be upheld in part for these reasons:

- *I can understand Mr F's frustration that he couldn't make the final repayment by credit card and I don't consider that the evidence provided by Suzuki Financial Services shows that he was sent any information about his options for making the final repayment;*
- *we offer an informal dispute resolution service and try to resolve complaints by customers about financial businesses by looking at what we consider to be fair*

and reasonable in the circumstances – but we wouldn't normally interfere with a business's legitimate commercial decisions;

- Suzuki Financial Services says that it decided in September 2014 to no longer accept credit card payments against credit agreements in consideration of the Financial Conduct Authority's rules relating to customer credit – I consider that to be a legitimate commercial decision of Suzuki Financial Services and I'm not persuaded that there was any requirement for it to accept payments from customers by credit card;*
- I feel that Suzuki Financial Services could have done more to inform Mr F about the payment options that were available to him but I don't consider that it acted incorrectly by not doing so and the information was available on its website and the letter that it sent to Mr F in October 2021 did say that he should contact it if he wanted to discuss the available options;*
- Suzuki Financial Services has offered Mr F a finance agreement for him to finance the final repayment but he says that it isn't on favourable terms and that he would likely not be eligible for it;*
- it has also agreed to put a hold on Mr F's account until the investigation is complete but it has recorded a late payment on his credit file for January, February and March 2022;*
- it's my understanding that Mr F still has the car and Suzuki Financial Services says that the balance of £5,370 was settled in April 2022 and that there are no payments outstanding;*
- I'm not persuaded that there's enough evidence to show that Suzuki Financial Services acted incorrectly in connection with the payment options that were available to Mr F but I don't consider that it's fair or reasonable for it to have recorded missed payments on his credit file – it had agreed to put a hold on his account until the investigation was complete so no payments were due from Mr F during that period and I don't consider that the adverse information on his credit file is a true and accurate record of his payment history; and*
- I find that it would be fair and reasonable in these circumstances for Suzuki Financial Services to remove the adverse information about the hire purchase agreement that it's recorded on his credit file”.*

Suzuki Financial Services has agreed to remove the adverse information about the hire purchase agreement that it's recorded on Mr F's credit file once the decision has been accepted by him.

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.

As Suzuki Financial Services has agreed to remove the adverse information from Mr F's credit file, I consider there's no need for me to change the provisional findings that I made in my provisional decision.

Putting things right

I find that it would be fair and reasonable in these circumstances for Suzuki Financial Services to remove the adverse information about the hire purchase agreement that it's recorded on Mr F's credit file.

My final decision

My decision is that I uphold Mr F's complaint in part and I order Suzuki Financial Services Limited to remove the adverse information about the hire purchase agreement that it's recorded on his credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 7 October 2022.

Jarrold Hastings
Ombudsman