

The complaint

Mr H complains that Volkswagen Financial Services (UK) Limited, trading as Audi Financial Services (who I'll call "VWFS") reported inaccurate information to his 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 know it will disappoint Mr H, but I agree with the investigator's opinion. I'll 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.

Mr H acquired his car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

It's clear that VWFS made a mistake when recording the account in arrears. As a mortgage provider rejected his finance application on the basis of adverse information being recorded on an otherwise unblemished credit file, I think it's clear Mr H has been inconvenienced by VWFS's actions.

I understand that Mr H wants compensation at least equivalent to the extra he paid for a mortgage, but I don't think I have sufficient evidence to suggest he mitigated his potential losses by looking at other mortgages available through other brokers. On that basis it wouldn't be fair to suggest the loss Mr H has documented couldn't have been averted and, whilst I think VWFS should compensate him for the distress and inconvenience caused, I think £375 is sufficient in the circumstances.

Putting things right

I'm asking VWFS to put things right in the manner I've set out above.

My final decision

For the reasons I've given above I uphold this complaint and tell Volkswagen Financial Services (UK) Limited to pay Mr H £375 to compensate him for the distress and

inconvenience he's experienced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 3 April 2023.

Phillip McMahon
Ombudsman