

The complaint

Miss G complains that Stellantis Financial Services UK Limited trading as Vauxhall Finance (Vauxhall) recorded incorrect information on her credit file which impacted her ability to obtain credit elsewhere.

What happened

In July 2020, Miss G entered into a Hire Agreement with Vauxhall to lease a new car. An advanced payment is listed on the agreement as £444.89 with 35 further monthly repayments of £222.44.

Miss G said as the Hire Agreement ended in June 2023, she handed the car back in July 2023 and confirmed with Vauxhall there was nothing further to pay besides any damage charges. Miss G said she received an email from Vauxhall in September 2023 advising of damage charges of £282. However, Miss G said she noticed her credit file was showing an outstanding balance from Vauxhall of £6,687 with two missed payments for August and September 2023 recorded.

Miss G said she was given assurances by Vauxhall that the credit file was incorrect and that an amendment had been processed. Miss G said she noticed in the following months that the amendment had been made to her credit file; however, that it had reverted in December 2023 but this time showing five missed payments. After contacting Vauxhall again Miss G said she was given further assurances that the issue was resolved.

Miss G said the situation has significantly impacted her credit file, her ability to get credit, meaning she's paying higher rates of interest and has affected her mental health.

In December 2015 Vauxhall issued their final response to Miss G's complaint. In it, they acknowledged the issue with the credit reporting and advised that they'd made the necessary amendments. Vauxhall apologised for the inconvenience but didn't uphold the complaint.

Unhappy with their decision, Miss G brought her complaint to our service for investigation. She said Vauxhall hadn't updated her credit file properly, so she wanted them to apologise and to pay her compensation for the distress and inconvenience caused.

Having reviewed all the information on file one of our investigators recommended that Miss G's complaint should be upheld. The investigator concluded that Vauxhall should pay Miss G £150 in compensation for the inconvenience caused by not resolving her issue properly.

Miss G accepted this recommendation. Vauxhall also accepted the investigator's recommendation. However, in July 2024 Miss G informed the investigator that they'd not had any contact from Vauxhall in relation to carrying out the investigator's recommendations.

So, as Vauxhall hadn't fulfilled the investigator's recommendations and hadn't contacted our service in relation to Miss G's complaint, since accepting the investigator's assessment in April 2024, the complaint has been referred to me to make a final 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Miss G complains about a Hire Agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Miss G's complaint about Vauxhall.

The Information Commissioner's Office (ICO) Principles for the Reporting of Arrears, Arrangements and Defaults at Credit Reference Agencies, is relevant in this case. It says *'Lenders that supply data to the [Credit Reference Agencies] CRAs are required to ensure that the data is accurate, up to date and meets agreed quality standards.'*

So, in consideration of the expectations set out by the ICO, I've considered whether Vauxhall have acted fairly in how they recorded credit information about Miss G's Hire Agreement.

Miss G provided emails between herself and Vauxhall confirming that incorrect information had been recorded on her credit file, however in their final response Vauxhall didn't appear to acknowledge this. In their final response, Vauxhall refers to a screen shot of Miss G's credit file in September 2023, showing the data was correct. However, Miss G complained that her credit information was also incorrect in December 2023. From the information provided I can't see that Vauxhall at the time had satisfactorily addressed or resolved all the issues raised by Miss G.

I acknowledge that both parties have accepted the investigator's findings and were in agreement that a compensation payment of £150 for Miss G was fair in the circumstances.

Having considered that both parties have accepted the investigator's assessment, I'm satisfied that by accepting the recommendations made, Vauxhall have acknowledged the information they recorded on Miss G's credit file was incorrect. I'm also of the opinion that Miss G has accepted that the issue has now been resolved. I've been given no reason to consider otherwise.

Miss G has told us about the impact this situation has had on her, for example in trying to resolve the issues and when trying to obtain credit elsewhere.

In the absence of any evidence of any significant material or financial impact to Miss G, I'm satisfied that she would have experienced some level of inconvenience. And having considered the circumstances of this complaint, I'm in agreement with the investigator that £150 in compensation is fair in all the circumstances.

My final decision

Having thought about everything above along with what is fair and reasonable in the circumstances I uphold this complaint and instruct Stellantis Financial Services UK Limited trading as Vauxhall Finance to:

- Pay Miss G £150 in compensation for the distress and inconvenience caused from incorrectly recording information on her credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 19 November 2024.

Benjamin John
Ombudsman