

## The complaint

Mr L has complained that N.I.I.B Group Limited, trading at Northridge Finance ('Northridge'), didn't provide him with correct information when it agreed to a change to his repayments under the finance agreement he had with them.

## What happened

In November 2019 Mr L took out a hire purchase agreement with Northridge in order to acquire a car.

Mr L contacted Northridge in July 2023 to advise them that he'd like to take a payment break due to financial difficulties whilst his wife had been on maternity leave. Northridge agreed to an arrangement for a three-month break in the payments Mr L was due to make under the agreement.

Some months later Mr L says he was concerned to find there had been a change to his credit file, so he complained to Northridge. He says he wouldn't have taken a break from his payments if he'd thought his credit score would be affected. He also says that Northridge had told him that the arrangement would not show on his credit file as having missed payments. So he would like the record of having missed payments removed from his credit file.

Northridge says that Mr L had been advised when he made the arrangement for the payment break that it would affect his credit file.

One of our investigators looked into the complaint and said she was satisfied, based on her review of the available information, that Mr L had been told the arrangement would affect his credit file.

Mr L's response to our investigator's finding was that he would like to listen to the call as he couldn't be sure what was said, given that the call took place some time ago.

On 20 September 2024 I issued my provisional decision, having had the opportunity to listen to the call after some delay in awaiting it from Northridge. Essentially, I was satisfied that Northridge had properly explained to him about how the no-payment arrangement would work and that it would be noted on his credit file. But as I hadn't yet seen Mr L's credit file I suggested he send me a copy to see how the arrangement had been recorded. I also requested that Mr L send me a copy of the letter he received from Northridge at the time, or any other evidence.

I set out an extract from my provisional decision below:

*"Having listened to the call recording, what I can say that is that I'm satisfied Northridge explained to Mr L about how the no-payment arrangement worked, that it would be noted on his credit file and that the note would show he had agreed an arrangement with Northridge.*

*But I haven't yet seen evidence to show how the arrangement was actually recorded on Mr L's credit file. I would expect this to reflect the no-payment arrangement being agreed. I would not expect it to show that Mr L had missed payments and so incurred arrears, having noted the way the arrangement was explained to Mr L during the call.*

*I have therefore drafted this decision on a provisional basis so that Mr L can, if he wishes to, come back to me with more information on this issue. I would in particular like to see a copy of Mr L's credit report to see how the arrangement has been recorded and if it has been done in a way that reflects Mr L's conversation with Northridge. I would also like to see the letter Northridge sent to Mr L confirming the arrangement. It is of course equally open to Northridge to provide any further evidence or information if it wishes to.*

*I appreciate that notwithstanding that I've listened to the call, Mr L may also wish to listen to the recording himself. If so, this is something our investigator will be able to arrange."*

### **Response to my provisional decision**

Northridge acknowledged receiving my provisional decision and said it had nothing further to add.

Mr L said he accepted my provisional decision but asked how he could get his credit file amended. Our investigator said, further to what I'd said in my provisional decision, that he should send me his credit report. Mr L has now obtained this and sent us a copy. He hasn't been able to provide the letter he received from Northridge.

### **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.

We've set out our general approach to this type of complaint - including all of the relevant rules, guidance and good industry practice - on our website.

I am not upholding this complaint. I will explain why briefly, having set out my detailed initial findings in my provisional decision.

I'm grateful to Mr L for sending me his credit report. As he says, it doesn't show any adverse markings from Northridge. And there is no longer any evidence of the credit arrangement – and given it is now over a year ago this is not surprising.

Mr L also says it there is no longer any evidence of having had a missed payment on the credit app he uses. It is possible that this was removed as a result of his complaining to this service.

As things stand, there is no evidence of missed payments with Northridge on Mr L's credit file arising from no-payment arrangement he made. And as I haven't seen anything else to show or suggest that that Mr L may have lost out, there is nothing further that Northridge needs to do. If however, Mr L should find that a missed payment arising from the arrangement has once again been added to his credit file he should bring this to Northridge's attention so that action can be taken for it to be removed.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 21 November 2024.

Michael Goldberg

**Ombudsman**