

The complaint

Mr A is unhappy Stellantis have been incorrectly recording missed payments on his credit file.

What happened

The circumstances surrounding this complaint are familiar to both sides. What's more, there does not appear to be any disagreement about the facts of this case. With that being the case, I don't intend to set out the background in detail. Instead, I'll provide a summary.

Mr A previously brought a complaint to our service against Stellantis in relation to the quality of goods supplied under a hire purchase agreement. At the time, our investigator upheld the complaint and recommended redress – including (amongst other things) – directing Stellantis to end the agreement with nothing further to pay, refund a portion of the monthly repayments he paid and remove any adverse information on his credit file in relation to the agreement. Both parties accepted our investigators recommendation. As a result, the complaint was resolved.

In July 2024, Mr A contacted Stellantis to complain about the presence of five missed payments on his credit file (dating back to February 2024). In doing so, Mr A explained that he was *in the process of getting on the property ladder and this has been a massive stress and inconvenience*.

Mr A did not receive a final response within the relevant timeframe. As a result, in September 2024, Mr A got back in touch with our service.

Our service contacted Stellantis for its side of the story. A short time later, in October 2024, Stellantis issued a final response letter in which it said that it would contact the Credit Reference Agencies to ensure that the late payment markers in relation to this account are removed. It apologised for the inconvenience and concern it had caused.

In November 2024, Mr A contacted our service to advise that the missed payments had now been removed from his credit file, however he said his credit score remained low *because of what Stellantis had done*.

Later that month, Mr A got back in touch to advise our service that the missed payments were beginning to be reported again on his credit file.

In November 2024, one of our investigators looked into matters and issued their findings. In short, our investigator upheld the complaint and recommended Stellantis:

- Cancel the agreement with immediate effect;
- Remove all negative markers on the credit file in relation to the agreement;
- Pay £400 compensation for the trouble and upset caused.

Stellantis accepted our investigators recommendation.

Mr A did not feel the compensation award went far enough considering the impact Stellantis' error and continued delays in resolving the matter have had. Our investigator responded to Mr A with some further clarification. Upon receipt of which, Mr A said he agreed with the compensation award.

In late November 2024, our investigator got back in touch with Stellantis to advise that Mr A was now willing to accept her proposed resolution. However, our investigator said *if the matter wasn't resolved soon, [Mr A] may be due further compensation*.

In mid-December 2024, Stellantis evidenced that Mr A's account had now been amended to show a £0 closing balance. It also evidenced that it had amended Mr A's payment history on his credit file to show the agreement was settled on 23 January 2024 (in accordance with our service's findings in relation to the original complaint).

In mid-January 2025, our investigator issued a second set of findings in which she increased the level of compensation to £550 (a further £150 in addition to her previous recommendation) in view of the further stress and detrimental impact on Mr A since her first outcome.

Stellantis, unfortunately, did not respond to our investigator. As a result, the complaint has been passed to me to decide.

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.

Having done so, I've reached the same outcome as our investigator and for the same reasons. I'll explain why.

As I've set out above section, the facts of this case do not appear to be in dispute. Nor is it in dispute that Stellantis' failings have caused Mr A unnecessary stress, concerns and frustration.

Further, I'm satisfied that Stellantis has now closed the account has amended its records to show a £0 closing balance. And Stellantis has provided evidence that it has updated its records with credit reference agencies to show the agreement was settled as of 23 January 2024. With that being the case, the underlying cause of the complaint has been resolved.

The only matter for me to decide is the level of compensation Mr A should receive to reflect the impact this matter has had on him.

As our investigator noted, it seems wholly unreasonable that the account remained open and Stellantis continued to record negative markers against Mr A's credit file some nine months after it accepted our investigators recommendations – part of which required Stellantis to *end the agreement and remove any adverse information that may have been recorded to [Mr A's] credit file in relation to the agreement*.

And reviewing the information provided by Mr A, it is clear he has been put to material inconvenience over a prolonged period of time by having to contact Stellantis about this problem – including having to chase it for responses.

What's more, when Mr A contacted Stellantis about this ongoing problem, it does not appear that it provided an adequate explanation about why the account was still open or sufficient

reassurance that it would address the incorrect reporting on his credit file in a timely manner. Or, when such reassurance was provided, the problem reoccurred which would have been both worrying and stressful for Mr A.

Mr A has confirmed that he has not suffered any direct financial loss as a result of this problem. However, Mr A has provided evidence that during this time he has searching for a new home. And, whilst he hasn't proceeded with a mortgage application, Mr A has explained that the ongoing issues with his credit file has caused unnecessary worry and concern during this process.

Mr A has also explained that his car required repairs totalling over £1,000 but he was not able to consider getting a loan to fund these repairs due to the impaired nature of his credit file which – other than the negative markers Stellantis incorrectly applied – was in a good state. This left Mr A feeling restricted about what he could do which was, understandably, frustrating for him.

With all of this in mind, and whilst acknowledging that money never truly compensates for trouble and upset suffered, I agree with our investigator that compensation totalling £550 is a fair way to resolve this complaint.

Putting things right

To put things right, Stellantis should:

- Pay compensation to Mr A totaling £550 in recognition of the inconvenience, trouble and upset it has caused.

If Stellantis has already paid Mr A £400 (or any other amount) following our investigators initial findings dated 21 November 2024, it should pay the remainder so the total compensation package equates to £550.

My final decision

My final decision is that I uphold this complaint direct Stellantis to compensate Mr A as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 23 July 2025.

Ross Phillips
Ombudsman