

The complaint

Mr W complains about Stellantis Financial Services UK Limited mishandling a monthly payment in respect of a conditional sale agreement which led to him being overdrawn.

What happened

Mr W has had a conditional sale agreement with Stellantis since October 2021. He makes the monthly payments of £333.58 via direct debit. Mr W has not missed any payments.

In or around July 2024 Stellantis was involved in a merger and this had an impact on some of its processes. Stellantis said that it had requested the July 2024 direct debit payment from Mr W's bank but because of this disruption the request didn't go through. Stellantis said it made two separate requests for the direct debit payment.

Mr W became aware that the first direct debit payment hadn't been processed and contacted Stellantis to make a manual payment. He says he was told by the agent that he would be sent a link but when this wasn't received, he paid the July 2024 payment via the online portal. However, Mr W says that Stellantis then took the payment via the direct debit meaning he had paid twice. This, he says, caused him to become overdrawn.

However, Stellantis says that although it did ask twice for the direct debit neither of the requests were cleared by the bank and so Mr W only paid the July amount once.

Mr W was unhappy at Stellantis' handling of his account and complained to it. Stellantis took several weeks before it responded to him. As more than eight weeks had passed from his complaint Mr W also raised a complaint about Stellantis with this service.

Stellantis then issued its final response letter to Mr W. In that letter it agreed that its service had let Mr W down and it said it would pay him £75 as a gesture of goodwill for the inconvenience and distress caused within 15 working days of the date of its letter.

Mr W sent this service snapshots of his bank statements for October 2024 and these didn't show the £75 having been paid to him.

Our investigator recommended that Mr W's complaint should be upheld and the compensation increased to £100. Our investigator said she didn't think Stellantis had acted fairly towards Mr W.

Stellantis hasn't said whether it agrees or disagrees with our investigator's view. Mr W has agreed with it. But because we haven't heard from Stellantis Mr W's complaint has been passed to me.

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 appreciate that when our investigator first reached her view that £100 compensation would

be fair here, she hadn't received Stellantis' business file about Mr W's account and its response about what had happened. And looking at what it has said I can see there is a discrepancy between what Mr W has said and what Stellantis says about the direct debit clearing. But I think, looking at the bank statement and Stellantis' account notes, that the July direct debit never cleared despite the two requests. However, I appreciate that for Mr W this looks as though the second direct debit was cleared because of the way the bank records it being taken and then later the same amount being credited back. This is due to the delay in the process between a direct debit being requested and the funds then clearing. I don't think Mr W would have needed to make an indemnity claim to his bank for repayment of the direct debit amount. However, I accept that due to the confusion as to whether money had or hadn't been taken out that he may have still done so.

I've also seen that our investigator was concerned that the £75 compensation that Stellantis said it would pay wasn't then sent to Mr W. But looking at the date of the final response letter from Stellantis, this payment was due to be made in November (after 15 working days) and the snapshots of the bank statements provided by Mr W were up to the end of October. I can't therefore fairly say this payment was held back by Stellantis.

However, I don't think £75 was fair as compensation for Mr W. It wasn't his fault that the direct debit didn't clear but a difficulty with Stellantis' own process. Its response to his complaint and to this service have also caused him unnecessary inconvenience. I think Stellantis could have been clearer with Mr W as to what had happened and provided him with reassurance about the overdraft issue.

Taking the above into account, I think £100, as set out by our investigator, is a fair amount to reflect what happened and its impact on Mr W. I am therefore upholding his complaint

Putting things right

I'm asking Stellantis to pay Mr W a total amount of £100 as compensation for its handling of his account around the July 2024 payment. If it has already paid him the £75 compensation, then it should now send him the additional £25.

My final decision

For the reasons set out above, I'm asking Stellantis Financial Services UK Limited to pay Mr W a total amount of compensation of £100 for its handling of his account and the July 2024 payment which caused him inconvenience and distress.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 May 2025.

Jocelyn Griffith
Ombudsman