

The complaint

Miss H complains that Volkswagen Financial Services (UK) Limited trading as Audi Financial Services (“AFS”) reported a missed payment marker on her credit file.

What happened

Miss H has an agreement with AFS.

In 2024 Miss H received arrears letters from AFS. The letters weren’t clear about the date when the payment had been missed. She contacted the dealership but was advised to ignore the letters.

Miss H then discovered that a missed payment had been reported on her credit file. She reviewed her bank account and discovered that the arrears originated from May 2022.

Miss H complained to AFS. She was unhappy with the customer service she’d received. She sought a correction of her credit file and compensation for the time she’d spent trying to resolve the matter and the distress caused.

AFS didn’t uphold the complaint. In its final response it said that a rental payment of £368.32 due on 4 May 2022, along with a reattempted payment on 13 May 2022, wasn’t processed due to the Miss H’s direct debit being returned by her bank. AFS said that letters regarding the missed payment had been sent to Miss H between May 2022 and December 2024. It said a collections agent had attempted to contact Miss H on 21 October 2022 and had left a voicemail and sent an email. AFS said it hadn’t revived a response from Miss H until 26 December 2024 when she contacted them to query the arrears. AFS said it was obliged to report the missed payment to the credit reference agencies and that because the arrears remained unpaid, there had been no error in the reporting of the arrears.

Miss H remained unhappy and brought her complaint to this service.

Our investigator didn’t uphold the complaint. She said she was satisfied that AFS had notified Miss H about the arrears on her account in 2022 and that the missed payment had been correctly reported.

Miss H didn’t agree. She said that letters had arrived late, and arrears notices had contained inaccurate information, Miss H said the more recent arrears letters failed to state when the arrears occurred. Miss H said she’d called AFS and had spoken to agents who were unable to explain to her why the arrears letters had been sent.

Because Miss H didn’t agree I’ve been asked to review the complaint.

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 Miss H, but I agree with the investigator’s opinion. I’ll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't mention a 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.

I've reviewed the account statements. A payment that was due on 4 May 2022 was returned unpaid by Miss H's bank. The direct debit was re-attempted on 13 May 2022 but was again returned unpaid.

The system notes show that AFS sent several letters to Miss H in 2022 advising her that a payment had been missed and that the account was in arrears. I can also see that text messages were sent to Miss H notifying her of the arrears. A telephone message was left for Miss H in August 2022 asking Miss H to contact them about the arrears.

Miss H has said that letters were received three weeks late. It isn't clear which letters she's referring to. However, having reviewed the letters that were sent to Miss H, I can see that they were correctly addressed to her at her registered address. I haven't found any evidence to suggest that AFS was responsible for a delay in the letters reaching Miss H.

Miss H has said that she called AFS about the arrears letters and that the agents were unable to explain to her why she'd received the letters. I've reviewed the system notes. I've been unable to find any evidence that Miss H called AFS. This service asked Miss H to provide evidence that she called AFS during this time, but she hasn't provided it.

Based on the information I've reviewed I'm satisfied that there are arrears on the account. I'm also satisfied that AFS took reasonable steps to advise Miss H about the arrears.

AFS – like all lenders – is under an obligation to report accurate information about the account to the credit reference agencies. Because there are arrears on the account, I'm unable to say that AFS have made an error in the reporting. In the absence of an error, I'm unable to ask SFS to amend the credit file.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 24 October 2025.

Emma Davy
Ombudsman