

## **The complaint**

Mr R is unhappy with how Stellantis Financial Services UK Limited treated him during the process of voluntarily terminating his hire purchase agreement.

## **What happened**

Mr R took out a hire purchase agreement with Stellantis in April 2021.

In December 2023 he was made redundant and contacted Stellantis as he was experiencing financial difficulties. A month later, Mr R spoke to them again. The contact notes from Stellantis suggest that a payment plan was discussed but ultimately decided against.

On the 2 April 2024 Mr R received a letter from Stellantis saying his account was £996.21 in arrears. And on the 26 April 2024, Mr R requested voluntary termination of his car.

The finance payment on 3 May 2024 wasn't paid and Mr R received another letter informing him of this.

On the 23 June 2024 Mr R called Stellantis to pay what was due for the voluntary termination to go ahead. He called the finance company on 31 June to say he had sent back the voluntary termination forms.

The contact notes show that both Mr R and his partner called multiple times during this period to try and complete the voluntary termination process.

It wasn't until 28 August 2024, when Mr R's partner called, that she was told there was an outstanding balance. This was subsequently paid. The termination process was then completed and the car was returned some time in August.

Mr R is unhappy with the service he received throughout this process. He didn't think Stellantis supported him when he originally told them about his financial difficulties. And he also didn't believe that Stellantis was clear about the voluntary termination process and what was needed to complete it.

Unhappy with what had happened he complained to Stellantis who issued him a final response letter. They agreed that some of their communication had been confusing and offered him £250 for the distress and inconvenience he had experienced. The £250 was used to reduce Mr R's outstanding balance.

Mr R didn't think this did enough to put things right, so he brought the case to us. One of our investigators looked into things and agreed that Stellantis didn't provide good service but thought that the £250 compensation was enough to put things right.

Mr R didn't agree and so asked for an Ombudsman to review the case.

I was minded to reach a different outcome to our investigator. So, I issued a provisional decision, to give both parties an opportunity to comment on my initial findings before I

reached my final decision.

### **What I provisionally decided – and why**

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

*To reach a fair and reasonable decision I have taken into account any relevant law and regulations, regulator's rules, guidance and standards, codes of practice (including Consumer Duty) and (where appropriate) what is considered to have been good industry practice at the relevant time.*

*I've first of all considered if I think Stellantis acted fairly when Mr R informed them of his financial difficulties.*

*I can see that they considered what he told them about his situation when he first called them in December 2023. The possibility of early termination was discussed but the call notes suggest the amount left to pay after terminating the agreement was unaffordable. Mr R was still due to be paid by his employer at the end of January and so it was agreed he would call back.*

*Mr R called back in January and the notes suggest a payment plan was set up for three months with Mr R making manual payments. I can't see any other record of this from the notes and Mr R has said no formal plan was ever agreed.*

*Mr R called again in February to make a manual payment and asked about voluntary terminating the agreement. A letter was sent to him following this.*

*I think it may have been helpful for Mr R to have received a more formal plan from Stellantis for his financial difficulties considering the anxiety he was experiencing. However, I've also noted that Mr R told Stellantis that his circumstances would change soon. He told them he received a redundancy package and was confident he would find a new job. And so, I don't think their actions were entirely unreasonable based on what they had been told by Mr R.*

*I've then considered the service Stellantis provided during the voluntary termination process. I can see that Mr R decided to voluntarily terminate his agreement because despite getting a new job, the finance payments were unaffordable to him and were still causing him financial difficulties.*

*I think the initial voluntary termination was clear in telling Mr R what he owed. This is because it says the figure quoted assumes that all payments are up to date and provided the date of the latest payment which was included in the settlement amount.*

*However, Mr R had multiple calls after this letter, and I don't think it was unreasonable for him to also rely on the information given to him on these.*

*I know Mr R feels the calls with Stellantis were confusing, unclear and caused him additional distress. Unfortunately, Stellantis have not provided copies of the call recordings so I've had to base my decision on the information I have available.*

*Mr R has said the calls with Stellantis were very long and him and his partner were put on hold and passed between departments a lot. I can see this reflected in some of the call notes and because of this, I find Mr R's testimony of what happened during the calls persuasive and plausible.*

*I can also tell that Mr R was keen to settle his account and voluntarily terminate the agreement as quickly as possible, I think if Stellantis had been clearer with what he owed, he would've been able to do this sooner.*

*From what I can see, despite numerous calls beforehand from June, Mr R was only told the amount he had to pay to clear his arrears in August. I acknowledge that Mr R was sent arrears letters during this time too. Mr R has explained that he found these letters confusing as they didn't include a breakdown of what the amount owed included. I don't think it was unreasonable for him to call Stellantis for clarity instead of relying on the letters.*

*I think if the calls with Stellantis had been clearer, it was likely that the agreement would have been paid off sooner. And so, I think unclear communication from Stellantis caused a delay in the voluntary termination by a couple of months.*

*Mr R has raised that Stellantis has responsibilities under Consumer Duty, which sets a higher standard of care for firms engaging with their customers, but even if I didn't consider the higher standard of Consumer Duty, I think Stellantis has fallen short in how they've engaged with Mr R.*

*Mr R was under financial stress and was vulnerable because of his financial difficulties. He has made it clear that being able to hand back the car sooner would have eased his financial burden. Without being able to listen to the calls and relying on Mr R's testimony and the call notes, I don't think £250 is enough to compensate him for the distress and inconvenience that's been caused.*

*Because of this, I think Stellantis should pay him an additional £150 for the distress and inconvenience he has experienced. I think this fairly reflects the additional financial burden and pressure Mr R was put under because of the delay and failures in customer service. I also think it reflects the frustration that has been caused.*

I didn't receive any further comments from Mr R or Stellantis by the deadline set out in my provisional 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.

As I didn't receive any further comments from Mr R or Stellantis, I see no reason to depart from the conclusions I reached in my provisional decision.

### **My final decision**

My final decision is that I uphold this complaint and require Stellantis Financial Services UK Limited to pay Mr R an additional £150 for the reasons set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 22 October 2025.

Ami Bains  
**Ombudsman**