

## **The complaint**

Mr F, who is represented by a third party, complains that Stellantis Financial Services UK Limited, trading as Vauxhall Finance ('Vauxhall Finance'), irresponsibly granted him a conditional sale agreement he couldn't afford to repay.

## **What happened**

In July 2017, Mr F acquired a new car financed by a conditional sale agreement from Vauxhall Finance. The loan amount was £21,424 with Mr F required to make 48 monthly repayments of £327.16 followed by a final payment of £6,154. He also paid a deposit of £2,025.73. The total repayable under the agreement was £27,224.80.

Unfortunately Mr F's account fell into arrears, and I understand it was necessary for the car to be returned to Vauxhall Finance with the agreement being terminated.

Mr F says that Vauxhall Finance didn't complete adequate affordability checks. He says if it had, it would have seen the agreement wasn't affordable and by taking it on he worsened his financial situation. Vauxhall Finance says it carried out all the necessary checks before agreeing to provide the finance.

Our investigator didn't recommend the complaint be upheld. He didn't have enough evidence or information to show that Vauxhall Finance had acted unfairly or unreasonably by approving the finance agreement.

As Mr F didn't agree, his complaint has been passed to me for a final 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.

We've explained how we handle complaints about unaffordable and irresponsible lending on our website. And I've used this approach to help me decide Mr F's complaint.

Before granting the finance, I would expect Vauxhall Finance to have used the information set out in Mr F's application and also to run credit checks to see what he owed elsewhere. Vauxhall Finance says that it carried out credit and employment checks, factoring in creditworthiness and affordability. But unfortunately, Vauxhall Finance hasn't been able to provide us with the details of their checks - although I've seen a copy of the actual agreement and some information about his payment history after the agreement started. Vauxhall Finance also said they would try to find further information about the checks they completed but haven't done so. That means I can't fairly make a finding that Vauxhall Finance carried out proportionate checks.

So, I need to think about what Vauxhall Finance would likely have found out if it had completed proper checks. We've asked Mr F to provide us with evidence of his financial

circumstances at the time the lending was taken out. However, he hasn't given us enough information to fairly determine what proportionate checks would likely have shown Vauxhall Finance. He has given us some details about his household income and estimated spending at the time. He also sent us some copy pages from his credit report. These were unclear and difficult to read. In any event, from what I can see, they don't have information about what Mr F owed from the time he was approved for the agreement.

I understand Mr F has made attempts to get hold of copy bank statements from the period leading up to the agreement but has been unsuccessful. Having the opportunity to look at these would have given us a better idea of what Vauxhall Finance might have found when it carried out its checks.

Whilst I recognise Mr F has done what he can to provide us with more information, there simply isn't enough evidence and information to hand for me to be able to demonstrate that the agreement was unaffordable. Based on what I've seen, I can't reasonably conclude that Vauxhall Finance ought to have known Mr F would struggle to make the repayments. I'm therefore not persuaded that it has acted unfairly in approving the finance.

I've seen that those representing Mr F say that, based on what we know about the agreement and the limited information coming from Vauxhall Finance, this service should make an adverse inference. That is also notwithstanding that Mr F hasn't been able to provide us with bank statements.

To be clear, I have already made a finding that Vauxhall Finance didn't carry out proportionate checks. But without having sufficient evidence to show what it might have found at the time had it carried out better checks or been provided with evidence of what it might have seen, I do not have enough information to make an uphold finding about the lending decision.

I realise that Mr F will be disappointed by this, and I am sorry to have to disappoint him on this occasion.

I've also considered whether the relationship between Mr F and Vauxhall Finance might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think it lent irresponsibly to him or otherwise treated him unfairly. I haven't seen anything to suggest that Section 140A or anything else would, given the facts of this complaint, lead to a different outcome here.

## **My final decision**

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 28 November 2025.

Michael Goldberg

**Ombudsman**