

The complaint

Miss H complains about adverse information she believes has been added to her credit file by Alphabet (GB) Ltd (“Alphabet”) in relation to a hire agreement she took out with them.

What happened

Miss H acquired a car using a hire agreement with Alphabet. Miss H said she returned the car in October 2023.

A repayment plan was arranged and agreed for charges applied when the car was returned. Miss H said she was told that the repayment plan which was arranged would not impact her credit file.

Miss H said that despite Alphabet’s assurances, they incorrectly reported a missed payment for March 2021 on her credit file, as well as missed payments from October 2023 to November 2024, which she discovered only after being declined a mortgage in principle. Miss H said she had a perfect credit score previously.

Miss H complained to Alphabet in March 2025, and Alphabet responded, explaining they upheld the complaint. They explained that payment plans are generally recorded as an arrangement on a credit file. But they could see that they had previously informed Miss H that entering a repayment plan wouldn’t be reported. So, they agreed to remove the credit marker in relation to the payment plan. But they thought the missed payment marker recorded in March 2021 was reported correctly, so didn’t remove that from Miss H’s file. Alphabet also offered Miss H £200 for the distress and inconvenience caused.

Unhappy with Alphabet’s response, Miss H referred her complaint to our service towards the end of April 2025 as she didn’t think the amount Alphabet offered was enough.

Our investigator thought the offer Alphabet made was fair in the circumstances, given the mistake they made and the impact it caused.

Miss H disagreed and provided further information. She said Alphabet’s mistake had a direct impact on her ability to obtain finance and obtain a mortgage, causing a delay in moving home. Among other things, Miss H provided screenshots of conversations she held with her mortgage advisor which advised her to obtain a copy of her credit report to determine what was impacting her ability to obtain finance. Miss H also supplied copies of her credit report.

Our investigator explained that the information supplied didn’t change his position. As Miss H disagreed, the complaint was 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’m not upholding this complaint and I’ll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Miss H believes that incorrect information has been recorded on her credit file by Alphabet in relation to a regulated credit agreement. So I'm satisfied this is a complaint we can look into.

Alphabet have a duty to report correct information to credit reference agencies. This is so lenders can make accurate and informed decisions on their lending.

In relation to the reporting of the March 2021 missed payment, Miss H has informed our service that she thought this issue had been corrected by making two payments in the following month. In this instance, as Miss H didn't make the necessary minimum payment required in March 2021, it follows that I think Alphabet acted reasonably in reporting this information to Miss H's credit file. And I don't think they are required to remove it.

In relation to the repayment plan, Miss H said she was assured entering this arrangement wouldn't impact her credit file or mean that adverse information was reported to it. However, it turns out that information was reported to Miss H's credit file and Alphabet has accepted they gave her incorrect information here. Among other things, they removed the information reported about the repayment plan and gave compensation for their error. So, what I need to consider is whether Alphabet's offer of £200 which they have paid to Miss H already is fair in the circumstances or whether they need to do more.

I accept that it must have been frustrating for Miss H to notice that her credit file had not been updated correctly, especially during a mortgage application, which I appreciate is already a stressful time. And I also accept that frustrations were likely further exacerbated when Miss H said she didn't have the opportunity to respond to Alphabet's final response.

Miss H has also supplied her credit file and a screenshot of a conversation where she was advised to obtain her credit report. The screenshot suggested that she may have been declined obtaining credit due to holding a financial link with a third-party. It also said that the issue didn't mean that Miss H wouldn't be able to get a mortgage, but that it may make it "tricky" to obtain one.

Considering the above, I think it is fair to say that there can be several reasons as to why an application for credit can be accepted or declined, some of which are due to affordability checks, as well as information held by credit reference agencies. Businesses also may have their own lending criteria which means one business may choose to lend when another may not.

I don't think I have seen enough to conclude that the sole reason Miss H was declined during a mortgage application was as a direct result of Alphabet's mistake. I'm satisfied the award Alphabet has already made to Miss H in relation to this complaint is fair and reasonable, taking into account the impact of their mistake.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require Alphabet (GB) Ltd to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 7 January 2026.

Ronesh Amin
Ombudsman