

The complaint

Mrs W complains that Stellantis Financial Services UK Limited trading as Vauxhall Finance (who I'll call 'SFS') were unreasonable and didn't offer sufficient support when she was struggling to meet payments on her finance agreement.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In January 2022, Mrs W entered into a conditional sale agreement with SFS to fund a used vehicle, repayable over 48 months.

In June 2025, Mrs W contacted SFS to explain she was experiencing financial hardship, partly due to significant repair costs, and asked to discuss support options. She says SFS failed to respond promptly and later gave her only a few hours to make payments to avoid recovery action.

SFS apologised for poor service and awarded £250 compensation. Mrs W didn't feel that adequately reflected the impact on her, so she referred her complaint to this service.

Our investigator thought £250 compensation was fair in the circumstances, but as Mrs W continued to disagree, her complaint has been referred to me, an ombudsman, to make 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.

I agree with the investigator's view of this complaint and for broadly the same reasons.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any 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.

There's no dispute that Mrs W was experiencing genuine financial difficulty and that she was also dealing with illness and personal matters. I'm very sorry to hear about the impact this situation had on her health. Firms are expected to recognise vulnerability and respond appropriately, including by engaging with customers, communicating clearly, and offering forbearance where appropriate.

I'm satisfied that SFS were aware, or ought reasonably to have been aware, that Mrs W may have been vulnerable once she raised financial hardship. I also agree that SFS's responsiveness fell below what would reasonably have been expected at that point. It's appropriate that SFS acknowledged this failing and paid compensation.

However, I have also considered the wider context. The evidence shows that SFS issued default notices that clearly set out the arrears position, invited contact, and signposted support. Their records show repeated attempts to engage with Mrs W before and after June 2025. While those attempts were not handled as well as they should have been, I'm persuaded that SFS were trying to make contact and discuss the status of the accounts, rather than ignoring Mrs W's situation.

In relation to compensation, this service generally considers awards in the region of £250 to be fair, where there has been an issue requiring reasonable effort to resolve the matter, resulting in distress, inconvenience, or disappointment over an extended period but without evidence of lasting or severe impact beyond frustration and upset. Having carefully considered what Mrs W has said about the effect on her, I'm not persuaded the impact goes beyond that level in a way that would justify a higher award. So I think the £250 SFS paid was fair.

Mrs W has also said that SFS should have allowed her to voluntarily terminate the agreement or otherwise prevented recovery action. The contract Mrs W signed clearly explained when the car could be repossessed and when voluntary termination rights would arise. Mrs W confirmed she had read and understood those terms. Based on the evidence, SFS acted in line with the agreement and regulatory requirements when taking further action.

I'm also satisfied that SFS considered Mrs W's individual circumstances before progressing matters and that the option to propose a repayment plan through their solicitors remains available. That's consistent with what I'd expect to see in cases like this.

I've also considered Mrs W's further comments made after the investigators view. She's explained that the distress and health impacts she experienced where, in her view, caused directly by SFS's handling of her account, and that clearer and earlier engagements would have allowed her to explore more manageable options. I recognise how strongly Mrs W feels about this and I don't doubt that the situation was very upsetting for her. However, these further representations don't materially change the evidence I've seen. While SFS's responsiveness fell below what I'd reasonably expect and caused distress, I'm still not persuaded that the impact goes beyond the level already recognised by the £250 compensation paid, or that SFS's actions prevented a realistic alternative outcome that would otherwise have been available.

Taking everything into account while I recognise that SFS's service fell short and caused Mrs W understandable upset, I think the steps they took to put things right were fair and reasonable overall. They should pay the £250 if they haven't already done so.

My final decision

For the reasons I've given above, I uphold this complaint in part and tell Stellantis Financial Services UK Limited to pay Mrs W £250 in compensation unless they've already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 12 March 2026.

Phillip McMahon
Ombudsman