

The complaint

Mr C, through his representative, complains that Stellantis Financial Services UK Limited trading as Peugeot Financial Services (“Stellantis”) approved a vehicle finance agreement for him which he says he could not afford.

This complaint commenced as a motor commission complaint and altered to be an irresponsible lending complaint.

What happened

Mr C wanted to buy a vehicle and in March 2020, Stellantis approved some finance for him. The deposit Mr C paid was £10,900 which was £400 cash and the rest was a part exchange. The capital amount left to pay was £10,098.80. The total to repay was £23,891.20 over 60 months, and the total charge for credit on the amount financed was around £2,892.40. The vehicle was a van and had only 50 miles on the mileage clock so it was new. VAT was charged. Repayments were scheduled to be £216.52 a month for 48 months.

After Mr C had complained, a final response letter was issued in July 2025. It was referred to the Financial Ombudsman Service where one of our Investigators gathered more information from both parties. Stellantis informed us that the early settlement quote provided to Mr C in April 2024 had led to that early settlement being actioned, Mr C received a small rebate of £139 and paid around £2,600 to own the vehicle.

Our investigator reviewed Mr C’s self-employed status. Mr C, through his representative, says he had been unemployed for a period when he was moving across the country and commenced the new business in 2019. Our investigator considered that Stellantis ought to have checked and verified Mr C’s income. It has produced no evidence of having done that.

Our investigator used Tax Returns and Mr C’s explanations and considered that if Stellantis had asked for verification it would have realised that Mr C had no or little income. So, the complaint was upheld and Stellantis was asked to put things right for Mr C.

Stellantis disagreed and the unresolved complaint was passed to me to decide. It said that its own procedure would not have prompted it to consider any additional checks were required as the searches it did showed Mr C was not overindebted.

After I had reviewed the evidence and information we had from both parties on file, I was not satisfied about the financial evidence produced to demonstrate Mr C’s financial situation in March 2020. So, I asked Mr C’s representative for explanations, additional financial evidence and any other details for me to get a comprehensive picture.

I also asked Mr C’s representative about the discrepancies between facts on Mr C’s Stellantis application form and the explanations provided by his representative to us during the complaint investigation.

This was all requested on 5 January 2026 with a reply date of 19 January 2026. I waited a further week to see if anything arrived and I received nothing. So, I decided to proceed with the information I had already.

On 27 January 2026 I issued a provisional decision giving reasons why I planned not to uphold the complaint. I considered that the complaint was entirely without merit. That is duplicated here.

What I provisionally decided on 27 January 2026 – 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 am not being asked, or expected, to stand in the shoes of the Stellantis' assessors when the agreement was approved and act as a lender: I am resolving a complaint about whether the approach taken by the Stellantis was reasonable and proportionate.

We've explained how we handle complaints about irresponsible and unaffordable lending on our website. And I've used this approach to help me decide Mr C's complaint. Stellantis needed to make sure that it didn't lend irresponsibly. In practice, what this means is that it needed to carry out proportionate checks to be able to understand whether any lending was sustainable for Mr C before providing it.

I have reverted to the specific wording and detail in the Financial Conduct Authority (FCA) Consumer Credit Sourcebook (CONC) Chapter 5 on responsible lending to assist me in relation to Mr C's complaint. I do not set out the FCA wording here as I am aware Mr C's representative is familiar with that CONC chapter, and I refer them to it for the detail.

When considering whether creditworthiness assessments were reasonable which is what the FCA require it to be, there are a number of considerations to guide Stellantis and one aspect of that is whether the checks were proportionate: CONC 5.2A.20R and the following paragraphs in CONC. It was not expected that there was a full financial review of every aspect of Mr C's circumstances.

In relation to Mr C's income, it needed to '*take reasonable steps to determine the amount or make a reasonable estimate of the customer's current income.*' Our investigator considered that Stellantis did not do enough and used the financial evidence produced by Mr C to conclude that he had no income or very little income in March 2020.

Part of placing these sorts of credit agreements within the context of the circumstances surrounding Mr C's application would include, in my view, the fact that he wanted this particular van, and he applied for the finance freely.

Stellantis would have no reason to consider that Mr C was being anything other than frank and honest in his application. And further details show me that as Mr C was self-employed it was likely that the van was purchased to facilitate his business. And I say that because I see from the Stellantis records that this vehicle was a van first registered in 2019, and that type of vehicle fitted with the nature of the business Mr C says he had set up. These details lead me to think that the van was being bought for the business. This is the context I think Stellantis would have recognised at the time Mr C applied for the finance. Mr C needed the van to continue his business.

Because I know the investigator has looked at additional details sent to us from Mr C, I have reviewed what we have. I do not consider this is complete and is the reason I asked for more information but have received nothing.

Bank account statements (here for Mr C we only have partial ones, some of which are the business bank statements) and Tax Returns do not give the full picture. Tax Returns in particular do not give the full picture as they are after the event and often include deduction of business expenses and costs. I have seen from Mr C's Tax Returns for the years immediately after he says the business started that he had an asset listed as part of the business and depreciation on that vehicle had been allowed for.

The credit search Stellantis did, showed nothing of any concern surrounding Mr C's credit history and I have cross referenced it with the personal credit file Mr C has sent to us. That too shows a good record in or around March 2020 and he had little debt.

Mr C put down a deposit (cash and part exchange value of a different vehicle) of almost £11,000 which was a high proportion of the van cost. This would not indicate to Stellantis Mr C was in financial difficulties. And I do not consider £215 a month a particularly high monthly cost for a vehicle to earn money through his business. So the combination of the information Stellantis did have in March 2020 likely was enough.

I've thought about the point made that Stellantis ought to have done more to establish Mr C's income situation. But as I have already pointed out, for me to do that I'd need to review what I consider likely Stellantis would have seen had it asked Mr C for more details. And I've not got that.

In line with the regulatory framework, I am satisfied that Stellantis based its creditworthiness assessment on sufficient information of which it was aware at the time it was carried out; and that it took reasonable steps to obtain information from Mr C. And, where it deemed it necessary, it cross referenced the information that he had provided with that from a credit reference agency. All that combined, I'm satisfied that Stellantis had sufficient information to enable it to carry out a reasonable creditworthiness assessment. Mr C wanted the van. I plan not to uphold his complaint.

I've also considered whether Stellantis acted unfairly or unreasonably in any other way and I have considered whether the relationship 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 Mr C or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

This is the end of the duplicated 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.

Stellantis has replied to indicate it has nothing further to add.

Neither Mr C nor his representatives have responded which further adds to my opinion that this was a complaint about irresponsible lending which was entirely without merit.

In the circumstances, I have no reason to alter the outcome – and for the reasons given in the provisional decision which are repeated here, I do not uphold the complaint.

My final decision

My final decision is I do not uphold the complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 10 March 2026.

Rachael Williams
Ombudsman