

The complaint

Miss R complains that MI Vehicle Finance Limited (MI) reported a missed payment in relation to her hire purchase agreement.

What happened

In March 2022 Miss R acquired a used car through a hire purchase agreement financed by MI. The agreement required Miss R to make a payment of £199.36 on the same date each month.

MI were unable to collect the payment due on 14 May 2025 as it was declined by Miss R's bank. MI told Miss R they'd attempt to take the payment again in a few days. MI tried to collect the payment on 21 May 2025, but it was again declined by Miss R's bank.

MI attempted to contact Miss R on 21 May 2025 and 7 June 2025 about the missed payment but received no response. The payment was made on 13 June 2025.

In August 2025 Miss R complained to MI about a missed payment marker on her credit file.

MI sent Miss R their final response to her complaint in August 2025. They said the payment was due on 14 May 2025 but wasn't received by them until 15 June 2025. They said they tried to contact Miss R several times about the missed payment but received no response. They said the report of the late payment was accurate and so they wouldn't remove it from her credit file. They didn't uphold Miss R's complaint.

Unhappy with MI's response, Miss R brought her complaint to this service for investigation. She said she'd made the payment within the same billing cycle, and within 30 days of the due date, so the late payment marker was unfair.

Our investigator gave their view that Miss R's payment wasn't made on the due date, and so MI had fairly reported that it had been missed. They didn't ask MI to do anything more.

Miss R didn't agree, she said she'd made the payment within 30 days of it being due, and so she maintained that the missed payment marker was unfair.

As an agreement can't be reached, the case has been passed to me for a 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.

Miss R's complaint relates to a hire purchase agreement, which is a regulated credit agreement and so we're able to consider a complaint about it.

It's not in dispute that Miss R's payment was due on 14 May 2025 but wasn't made until some time later. MI say they received the payment on 15 June 2025; I've seen evidence that Miss R made the payment on 13 June 2025.

Miss R has said that because she made the payment within 30 days of it being due, a missed payment shouldn't have been reported.

The hire purchase agreement between Miss R and MI sets out that monthly repayments will be collected on the same date in each subsequent calendar month. It goes on to say that it's important that payments are made in full and on time, and that missing payments could have severe consequences, including reporting to credit reference agencies (CRA's).

I'm satisfied, based on the evidence, that Miss R's payment was due to be made on 14 May 2025, and it wasn't.

I'm also satisfied that Miss R made the payment on 13 June 2025, so I've gone on to consider whether it was fair for MI to report this as a late/missed payment.

Miss R has said that the reporting criteria of CRA's say a missed payment isn't reported for 30 days. There is no requirement for MI to wait 30 days to report a missed payment. A business will typically make reports to the CRA's on a set schedule, usually at the end of each month.

So, whilst Miss R paid the arrears on her agreement within 30 days, I'm satisfied that the agreement required the payment to be made in full on the due date, and this wasn't done, so its reporting as late/missed was accurate and not unfair in the circumstances.

My final decision

Due to the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 15 April 2026.

Zoe Merriman
Ombudsman