

The complaint

Miss C entered into a conditional sale agreement with Vauxhall Finance - now Stellantis Financial Services UK Limited (Stellantis) - in September 2021 to acquire a car. She complains that the lending was irresponsible.

What happened

Miss C entered into a conditional sale agreement in 2021. The total amount repayable was £34,608.28 with Miss C required to make 47 monthly repayments of £408.49 followed by a final optional repayment of £13,872. Miss C said that at the time of the lending she was in a financially vulnerable position – overdrawn, close to the limit on her credit cards and managing several other loans. She said she struggled with the repayments from the start. Miss C doesn't think that adequate checks were carried out before the credit was given and that had they been the lender would have realised the agreement wasn't affordable.

Stellantis issued a final response to Miss C's complaint dated 17 October 2025. It said that affordability and credit checks were carried out and no concerns identified.

Miss C referred her complaint to this service.

Our investigator noted the checks that Stellantis had undertaken but that further evidence from these hadn't been provided. Therefore, she wasn't able to say that proportionate checks took place. She thought it would have been reasonable for a credit check to have taken place and Miss C's income to have been verified before lending.

Our investigator reviewed Miss C's credit file and while the information was limited due to the passage of time, she found that Miss C was generally managing her credit at the time. While she didn't think that Stellantis was required to request copies of Miss C's bank statements, she looked through the statements to see what information would have been identified had proportionate checks taken place. Based on this she didn't think the checks would have shown the agreement to be unaffordable.

Miss C didn't agree with our investigator's outcome. She said the affordability assessment only considered two months of statements and included essential living costs of £338 a month which wasn't realistic. She said that Stellantis hadn't been able to evidence its checks, so it wasn't fair to assume these were proportionate and noted that the payment behaviour through the agreement showed she was in financial difficulty.

Our investigator responded to Miss C's comments but as her view didn't change, and a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue 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.

Our general approach to complaints about unaffordable or irresponsible lending – including the key rules, guidance and good industry practice – is set out on our website.

The rules don't set out any specific checks which must be completed to assess creditworthiness. But while it is down to the firm to decide what specific checks it wishes to carry out, these should be reasonable and proportionate to the type and amount of credit being provided, the length of the term, the frequency and amount of the repayments, and the total cost of the credit.

Stellantis has said that credit and affordability checks were carried out before the agreement was provided. It recorded that Miss C declared an annual income of £32,316 and said there were no affordability or credit concerns. However, Stellantis hasn't been able to provide evidence of its checks and so I agree with our investigator that it isn't possible to say whether reasonable and proportionate checks took place.

Given the size of the credit being provided compared to Miss C's income, I think reasonable checks would have included an income verification and a full credit check. While bank statements didn't need to be requested as part of this process, I have used the evidence that has been provided, including a recent credit report and bank statements for the months leading up to the lending, to assess what I think would most likely have been identified had proportionate checks happened.

The credit report provided is from December 2025 and so may not contain all the information that would have been available at the time of lending. The credit report shows two missed payments on a credit card, but the account had been brought up to date and looking at Miss C's overall management of her credit at the time, I do not find that this would have raised concerns.

Miss C's bank statements show that she was earning a monthly income of around £2,347. This is in line with the annual income figure she declared. Her mortgage payments shown in her credit file were £607 and Miss C has said this was a joint mortgage and she paid half. Her statements show her making payments towards car tax, accident cover, pet cover and telecommunications totalling around £140 a month. Additional to this Miss C was making payments to her existing creditors, insurances and professional subscriptions of around £680 a month. Deducting these costs and the Stellantis repayments from her income would leave around £815 to cover any other household costs as well as her general living costs such as food and fuel and any unforeseen expenses. Having looked at Miss C's bank statements, I do not think that this amount suggested the loan to be unaffordable.

I've also considered whether Stellantis acted unfairly or unreasonably in some other way given what Miss C has complained about, including whether its relationship with Miss C might have been viewed as unfair by a court under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Stellantis lent irresponsibly to Miss C or otherwise treated her 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.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 29 April 2026.

Jane Archer
Ombudsman