

## **The complaint**

Miss G complains that Black Horse Limited (“Black Horse”) incorrectly reported information to her credit file in relation to a hire purchase agreement she held with them to acquire a car.

## **What happened**

In February 2020, Miss G acquired a used car using a hire purchase agreement with Black Horse.

Miss G said she informed Black Horse of a change of address in September 2021.

Miss G complained to Black Horse in April 2025 as she believed adverse information had been reported to her credit file by them. Miss G said this had impacted her ability to obtain a mortgage. Miss G also said that Black Horse had been attempting to contact her using her old address.

Black Horse issued their final response to Miss G towards the end of May 2025. In summary, they partially upheld Miss G’s complaint and offered her £100 due to the reporting of information to her credit file between June and September 2024. Black Horse didn’t uphold Miss G’s complaint in relation to updating her address and the way they had recorded other late payments to her credit file.

Miss G referred her complaint to our service in June 2025. Miss G also believed Black Horse breached guidelines and principles set out by the Financial Conduct Authority (“FCA”).

Our investigator issued their view where he explained that he thought Black Horse didn’t need to do anything further in relation to this complaint as he thought their offer was fair and reasonable.

Miss G disagreed with the investigator’s findings. Among other things, Miss G said she hadn’t received any compensation from Black Horse in relation to this complaint to date. She also said that Black Horse sent correspondence to the wrong address well beyond September 2022 and continued to do so up to when they issued their final response in May 2025. Miss G believed Black Horse’s actions meant she was deprived of the opportunity to deal with matters before they escalated.

Our investigator explained further why he thought the compensation awarded was fair in the circumstances. As Miss G disagreed with the investigator’s findings, 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 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 G complains about a car supplied to her under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Miss G's complaint about Black Horse.

#### Late and missed payments recorded to Miss G's credit file

I have referred to the terms of the agreement Miss G signed with Black Horse. In this regard, it said under a prominent section called, "A7. *What you need to pay each month*":

*"... You must make each Repayment on time. Punctual payment is essential..."*

So, I think the terms emphasise the importance of making payments on time. The agreement also explains what may happen if Miss G was to miss payments under the agreement.

I have seen the account history between Miss G and Black Horse. In this instance, there were several instances where payments were made by Miss G after the scheduled payment date. And I can see from account history notes Black horse has provided that there were occasions where Miss G contacted Black Horse to provide explanations as to why payments weren't made on time.

While I appreciate Miss G's comments and that she believes payments made a few days after the scheduled payment date shouldn't be recorded as late; I cannot see where the agreement says that as long as the payment is made within a particular period it will not be recorded as missed or late, or that a grace period will apply where a payment can be late but not reported as late or missed.

Based on the information above, prima facie Black Horse are not doing anything incorrectly by reporting Miss G's payments as missed or late if they are not made on the payment date required – even if they are made within a certain timeframe of said date. Importantly, I also think it would have been clear to Miss G that this was the case from the agreement she signed.

In considering what is fair I have also had regard to the Principles for the Reporting of Arrears, Arrangements and Defaults at Credit Reference Agencies published by the Information Commissioner's Office ("ICO"). I have noted that the ICO are clear that credit files need to be accurate – and explain that if a regular expected payment is not made at the agreed time this may be reflected on a credit file. And I don't accept that reporting missed payments is disproportionate or not treating Miss G fairly in accordance with FCA rules or guidance when it accurately reflects what occurred.

#### Miss G complains that Black Horse didn't correctly update her address when she told them to

Miss G believes Black Horse continued to send correspondence to an old address, which meant that it deprived her of the opportunity to resolve matters, before they escalated. Miss G says she informed Black Horse of a change of address in September 2021. On the other hand, Black Horse say they were informed of a change of address in September 2022.

Black Horse has supplied copies of correspondence they sent to Miss G over the course of the agreement she held with them. Before 29 September 2022, all written correspondence was addressed to Miss G's old address. From 29 September 2022 onwards, all written correspondence was sent to Miss G's new address.

Miss G says in support of her argument, that Black Horse repeatedly received returned address notifications in relation to correspondence they sent to her old address after September 2021. And she says, this supports her view that Black Horse should have known about the change of address.

While I appreciate Miss G strongly believes Black Horse didn't update her address when she said they should have, I haven't seen firm evidence to support what she says. I'm mindful that due to some payments not being made on time, there were instances where Black Horse and Miss G were in contact with each other by other means. In any event, I think Miss G ought to have been aware from the terms of the agreement and from other forms of contact with Black Horse that payments not made on time may impact her credit file.

Miss G says that she didn't receive the final response that Black Horse had sent to her in May 2025. Having seen a copy of it, I can see it was addressed to her new, correct address. And this address is the same one our service holds for her. I haven't seen any evidence to suggest Miss G hadn't received it, or that Black Horse hadn't sent it to her correctly or are at fault for Miss G not receiving it. If Miss G would like another copy of the final response, I suggest she contacts Black Horse directly.

#### The outstanding balance which was showing on Miss G's credit file between June and September 2024

Black Horse, in their final response to Miss G, has already upheld this aspect of her complaint. This is because Black Horse accepted an error was made here and has already updated the information which has been recorded. In recognition of their error, Black Horse offered Miss G £100 for the distress and inconvenience caused.

Miss G has explained that their error has impacted her ability to obtain a mortgage offer.

I accept that it must have been frustrating for Miss G to notice this information that was reported to her credit file by Black Horse, especially during a mortgage application, which I appreciate is already a stressful time.

Generally speaking, there are several reasons as to why an application for credit may 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. And the rate a business may choose to offer can also be impacted by a whole host of external factors.

I don't think I have seen enough to conclude that the sole reason Miss G wasn't able to obtain a mortgage offer she required was as a direct result of Black Horse's mistake.

Miss G informed our service that she didn't receive any compensation from Black Horse, following the final response they sent her. Our investigator queried this with Black Horse. And Black Horse has now confirmed to our service that the payment hasn't been made. In recognition of this, Black Horse has agreed to increase the amount to pay Miss G by an additional £50, so £150 in total.

In the circumstances, I think a payment of £150 is a fair way to resolve things.

### **My final decision**

For the reasons I've explained, I uphold this complaint and I instruct Black Horse Limited to put things right by paying Miss G £150 to reflect the distress and inconvenience caused, if this been paid happened already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 13 April 2026.

Ronesh Amin  
**Ombudsman**