

The complaint

Miss P complains about the information reported on her credit file by Stellantis Financial Services UK Limited¹.

What happened

Both parties are familiar with the background of this complaint so I will only summarise what happened briefly here.

In March 2020, Miss P entered into a conditional sale agreement with Stellantis to acquire a car.

In November 2024, Miss P complained to Stellantis. She said that the agreement had been in arrears, and she accepted that, but she was unhappy that Stellantis had applied late payment markers to her credit file even when Miss P had met her contracted monthly repayments, as well as making some overpayments to reduce the arrears. She said the late payment markers had been applied since 2021 and were having a significant impact on her credit file.

Stellantis responded to Miss P's complaint and said the markers had been applied correctly to Miss P's credit file. Stellantis confirmed that the payments being received from Miss P were attributed to the oldest outstanding sums first, and the account remained in arrears. As such, Stellantis said they wouldn't be removing any of the late payment markers.

Miss P brought her complaint to our service. Our investigator didn't uphold it. She said Miss P had been in arrears for some time, since around 2021, and even though there were occasions when overpayment was made, there were also occasions when the contracted monthly payments weren't made, and there were months when an agreed repayment plan wasn't fulfilled either, so the account remained in arrears. Our investigator said she was satisfied Stellantis had reported accurate information to the credit reference agencies.

Miss P didn't agree with this. She felt her credit file should reflect the fact that she had made her contracted monthly repayments for several months, even though she accepted the account had remained in arrears.

As Miss P didn't accept, the complaint has been 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.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations, relevant regulatory rules, guidance and standards and codes of practice.

¹ Shown as Vauxhall Finance on the conditional sale agreement.

As the conditional sale agreement entered by Miss P is a regulated consumer credit agreement this service is able to consider complaints relating to it.

Miss P doesn't dispute that she was in arrears with her payments towards the agreement, and the statements of account provided by Stellantis, along with their contact notes, confirm that Miss P was in arrears on the agreement for a considerable period of time. So, all I need to decide in this decision is whether the late payment markers were applied correctly by Stellantis to Miss P's credit file. In this case, I agree with our investigator's opinion, and am satisfied the late payment markers have been added fairly by Stellantis. I'll explain why.

The conditional sale agreement Miss P signed sets out the consequences of not making payments of the correct amount on the due date. It also sets out that missing payments could make obtaining credit more difficult. By signing the agreement Miss P accepted those terms so I don't think Stellantis acted unfairly in expecting payments in line with the agreement and they had the grounds to report a true reflection of the payment history including the missed payments to the credit reference agencies.

Miss P has explained that, for several months while her account was in arrears, she paid the contracted monthly repayment, along with some additional payments, to help reduce the arrears. And she thinks that, because she made the contracted monthly repayments, Stellantis shouldn't be reporting any missed payments for those months. But Miss P's agreement explains how any payments that are less than the outstanding arrears will be treated. It says that payments will always be applied to older sums first, before being applied to more recent sums due. So, even though Miss P was paying more than her contracted monthly repayments at times, the amount paid was being used to reduce the arrears before being applied to the contracted monthly payment. As the total amount being paid each month wasn't enough to clear the outstanding arrears and cover the contracted monthly repayment amount, Stellantis had a duty to report the due payment as missed. Miss P hadn't met her contractual obligations.

Stellantis are expected to treat Miss P with due consideration and forbearance if she is in financial difficulties or is in arrears on her account and I'm satisfied they've done this. Things they need to consider – amongst others – are temporary repayment plans, allowing deferment of payments or arrears or accepting reduced amounts for a reasonable amount of time. Stellantis allowed all of these things during the term of the agreement, whilst allowing Miss P to retain the car. Stellantis also seemed to explain other options available to Miss P that might have helped to reduce the arrears, and Miss P herself explained in 2021 that she was planning to sell the car to reduce the arrears, as her circumstances at the time meant she was struggling to meet her contracted payments. Stellantis have shown that multiple repayment plans were put in place, along with pauses to Miss P's monthly repayments, and Miss P failed to keep up with the arrangements that were put in place across many months. I'm satisfied Stellantis have reported the information about how Miss P has managed the agreement accurately to the credit reference agencies, and it was reasonable of them to do this.

Miss P has also suggested that Stellantis should have applied a default to her account, as the relationship had irretrievably broken down. However, I'm not persuaded this is accurate in this case. Miss P was in regular contact with Stellantis, often contacting them to discuss how her personal circumstances had changed, and how she wanted to put repayment plans in place – many of which she didn't adhere to – so I'm not satisfied the relationship between Miss P and Stellantis had irretrievably broken down, and Stellantis reasonably continued to report the missed payments to Miss P's credit file.

I know this decision will come as a disappointment to Miss P, and she's concerned that it will affect her ability to obtain credit now she is in a better financial situation. But Stellantis have

a responsibility to report accurate and factual information to the credit reference agencies, and Miss P had a responsibility to maintain her payments in line with the agreement. There is no dispute in this case that Miss P was in arrears for long periods throughout the duration of the agreement – despite making overpayment on occasions. And having considered everything I'm satisfied Stellantis acted reasonably by reporting missed payments when Miss P wasn't clearing the arrears on the account. I won't be asking them to remove the late payment markers from her credit file.

I'd like to remind Miss P that she doesn't have to accept this decision if she thinks she can achieve a better outcome by alternative means, such as through the courts.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 11 May 2026.

Kevin Parmenter
Ombudsman