

complaint

Ms L complains that she was given incorrect information about her payments when she settled her hire purchase agreement with PSA Finance UK Limited, trading as Peugeot Financial Services, early. And she complains about the adverse information that it has recorded on her credit file.

background

A new car was supplied to Ms L under a hire purchase agreement with Peugeot Financial Services that she signed in September 2015. She ended the agreement early in November 2017 and there was an outstanding balance on the account of £200.32. Ms L paid that amount to Peugeot Financial Services but it had already requested a payment by direct debit so it refunded £200.32 to her. But the direct debit wasn't successful so an outstanding balance remained on the account. Ms L was then given incorrect information about her account and she didn't make a payment to Peugeot Financial Services so adverse information was recorded on her credit file.

She complained to Peugeot Financial Services. It said in its final response letter to Ms L in May 2018 that it understood that the situation may not have been fully explained to her and it apologised for that. It said that the £200.32 remained due from her but that it would accept £160.26 from her because she'd been told in January 2018 that that was the amount that she owed. And it said that, when the payment was received, it would remove any adverse markers in connection with the situation from Ms L's credit file. Ms L didn't accept its offer and complained to this service.

The investigator didn't recommend that this complaint should be upheld. He said that Peugeot Financial Services had offered, in effect, to reduce the outstanding balance from £200.32 to £160.26 (which was the amount that it had asked her to repay in January 2018) and to remove any adverse data from her credit file, once the payment was made. He said that the offer was in line with an offer that he'd ask a business to make in similar circumstances. So he said that he couldn't ask Peugeot Financial Services to take any other action.

Ms L has asked for her complaint to be considered by an ombudsman. She says that the customer service that she received from Peugeot Financial Services was bad and that she's not happy with having to pay £160 as she feels that the balance should be written-off.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

There has clearly been some confusion about Ms L's final payment of £200.32 to Peugeot Financial Services. But I consider that Peugeot Financial Services has provided enough evidence to show that Ms L does still owe it that amount. It accepts that its communication about the situation hasn't been as clear as it should've been and I'm satisfied that Ms L was given some incorrect information.

But Peugeot Financial Services has offered to reduce the amount owing by Ms L to £160.26 and – on receipt of that payment – to remove any adverse information about the situation from her credit file. I consider that offer to be fair and reasonable in the circumstances. And

I'm not persuaded that it would be fair or reasonable for me to require Peugeot Financial Services to write-off the balance of Ms L's account – or to take any other action in response to her complaint.

If Ms L now wants to accept Peugeot Financial Services' offer, I suggest that she contacts it to see if the offer remains available to her.

my final decision

For these reasons, my decision is that I don't uphold Ms L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 3 January 2019.

Jarrold Hastings
ombudsman