

The complaint

Mr T complains about the service he received from Mercedes-Benz Financial Services UK Limited ("MBFS") when it incorrectly applied a late payment marker to his credit file.

What happened

Mr T entered into a hire purchase agreement with MBFS. He says it incorrectly reported a late payment on his credit file. Mr T told us that was shopping around for a loan around this time, and the late payment marker may have affected the loan rates he was offered. He says MBFS should pay off the remainder of his loan.

MBFS upheld Mr T's complaint. It apologised for incorrectly applying a late payment marker to his credit file in April 2022 and for not removing it when it said it would do so. It confirmed it had now removed the incorrect marker and had offered Mr T £400 in recognition of the distress it caused, and the poor service Mr T had been given.

Mr T didn't think this was fair and reasonable. He said although MBFS had given him £400, he thought it should reimburse him the remainder of his loan amount, so he brought his complaint to this Service.

Our investigator looked at this complaint and said she thought £400 compensation was fair in the circumstances.

Mr T disagreed so the complaint comes 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 taken everything into consideration, I've reached the same conclusion as our investigator, and I'll explain why.

I can understand Mr T's worry and disappointment – he identified an error on his credit file caused by MBFS, and it wasn't corrected as quickly as it should've been. And I empathise with him when he talks about the impact this error *may* have had on a loan that he took out at this time.

But I also have to take into consideration that MBFS has apologised for its failings; it's corrected Mr T's credit file; and it's paid £400 in recognition of the poor service it provided. And I've seen no evidence that Mr T was offered a higher rate on his loan, or that he was declined finance because of this mistake.

Taking all this into consideration, I'm satisfied that £400 compensation is fair and reasonable in the circumstances of this complaint.

I know Mr T will be disappointed with the outcome of his complaint, but I hope he

understands why I've reached the conclusion that I have.

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 Mr T to accept or reject my decision before 11 October 2023.

Andrew Macnamara
Ombudsman