

The complaint

Mr C complains that Carfinance247 Limited carried out a credit check even though he hadn't completed his application. He's also unhappy about the number of emails he's received despite asking for his data to be erased.

What happened

In January 2023 Mr C submitted an application form with his personal details to Carfinance247.

As part of the application process, Carfinance247 carried out a soft credit check.

Mr C complained to Carfinance247. He said he hadn't completed his application and hadn't given permission for a credit check. He asked for all his personal information to be erased.

In its final response, Carfinance247 said it wasn't upholding Mr C's complaint because it hadn't made an error by sending his details to lenders for the purposes of conducting a soft search.

Mr C remained unhappy and brought his complaint to this service.

Our investigator upheld the complaint. He said he didn't think Carfinance247 had made an error by sending Mr C's details to lenders to conduct a soft search but said that the service provided by Carfinance247 fell below the standard expected because it had sent Mr C numerous emails after he requested that his data was erased. The investigator said that Carfinance247 should pay compensation of £50 to Mr C for the distress and inconvenience caused.

Mr C didn't agree. He said he'd received emails from carfinance247 daily and he didn't think the level of compensation fairly reflected the stress caused.

Carfinance247 didn't agree either. It said that Mr C had requested a data removal, which it had processed, but that he had then raised further complaint points after the erasure which meant that it had to continue to send emails to Mr C regarding his complaint.

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.

Mr C's complaint has two aspects. The first relates to the soft credit check and whether it should've been carried out. The second is about the emails which Mr C received from Carfinance247 after he asked for his data to be erased. I'll deal with each aspect in turn.

Credit search

Mr C has said that he doesn't recall completing the application and says he didn't give permission for a credit check.

Carfinance247 has said that it received an application from Mr C on 22 January 2023. It explained that as part of the application process, Mr C agreed to the terms and conditions and the privacy policy. It said that the privacy policy outlines how it uses a customers details to provide its service, which includes credit searches.

This service asked Carfinance247 to provide a copy of what Mr C would've seen when he filled in the application. Carfinance247 said it couldn't provide screenshots of the application process.

I've reviewed the application process online. The privacy statement sets out what Carfinance247 will do with personal information, which includes providing it to lenders to carry out a soft credit search. The privacy statement also says that if a customer doesn't agree with the privacy statement, they should not continue with the application.

Based on what I've seen, I think Mr C ought to have been aware that his personal information would be used in this way. By continuing with the application, Mr C agreed to the terms and conditions, including the privacy statement.

For this reason, I don't think Carfinance247 made an error when it provided Mr C's information for the purposes of a soft credit check.

Emails

I've reviewed the emails which Mr C provided to this service. Mr C's email inbox shows that he received numerous emails from Carfinance247 between February 2023 and June 2023 despite having asked for his data to be erased.

Carfinance247 has said that it had to send emails to Mr C in order to deal with his complaint. However, looking at the emails which were sent to Mr C, although there are some about his complaint, the majority are marketing type emails. Given that Mr C had requested that his information was erased, I don't think Carfinance247 should have continued to send these emails.

Mr C has told this service about the impact that the emails had on him. It's clear that Mr C has been caused some unnecessary distress here. I think its fair to ask Carfinance247 tp pay compensation of £50 for the trouble and upset caused. I think this is a fair and reasonable amount to reflect the impact on Mr C.

My final decision

My final decision is that I uphold the complaint. Carfinance247 Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 January 2024.

Emma Davy
Ombudsman