

The complaint

Mrs S complains that Hoist Finance UK Limited shared private information with her daughter.

What happened

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

Mrs S has an account with Hoist that is subject to a payment arrangement. Mrs S' payments have been maintained in line with the agreed arrangement.

In February 2022 Hoist sent a text message to Mrs S' daughter to say it needed to review her payment plan. The text message warned that if Mrs S didn't get in touch within a month her existing plan would be cancelled and collections activities resume.

Mrs S complained and Hoist explained it had found the number in question when completing a tracing exercise. The number was removed from Hoist's systems and it apologised for the distress and inconvenience caused. Hoist initially offered £25 but later increased the award to £75.

An investigator at this service looked at Mrs S' complaint and said they thought Hoist's offer was a fair way to resolve the issues raised. Mrs S asked to appeal and told us Hoist had breached data protection rules. Mrs S also said she didn't think Hoist's offer fairly reflected what had happened. As Mrs S asked to appeal, her complaint has been passed to me to make a decision.

What I've provisionally 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.

I've been brief in setting the background out above as all parties broadly agree concerning the overall timeline. Hoist says it carried out a tracing exercise at the start of 2022 and found the number in question via a third party business. There's some suggestion that similarities between Mrs S and her daughter's details caused an incorrect match. Although Mrs S rejects this view. As a result, Mrs S' daughter's phone number was added to Hoist's systems.

I can understand why Mrs S is upset. It doesn't appear Hoist sought to verify whether the new number provided was correct before sending private and sensitive information about Mrs S' account and ongoing payment arrangement to it. Given Mrs S had at no time used the number Hoist obtained, I can understand why she was so upset that private and specific details concerning her debt was shared.

Hoist has told us the number has been removed. I need to decide how to fairly resolve Mrs S' complaint.

I agree with Mrs S that £75 isn't a fair reflection of the level of upset caused. Mrs S is quite rightly upset that private information about her financial situation was shared with a third party. As the information related to a debt that Mrs S had agreed a payment arrangement for, I can understand she may've wanted to keep this private. And the information was shared with Mrs S' daughter, not a stranger. Given the close relationship and embarrassment caused, I'm satisfied Mrs S was very distressed indeed when she found out about Hoist's mistake.

Mrs S has provided some details of compensation examples she's found online where businesses have breached data protection rules. I want to explain that our approach to compensation is focused on the impact to a consumer, we can't fine or punish a business. In this case, I think a payment of £250 more fairly reflects the level of distress and inconvenience caused to Mrs S. So I intend to increase the total award from £75 to £250.

I invited both parties to respond with any further comments or points they wanted me to consider before I made my final decision. Hoist responded in detail. In summary it gave a detailed background concerning how its agents complete a trace of a customer. And Hoist provided details of the information it obtained from its agents and explained the process followed. In addition, Hoist's case handler didn't agree it had sent confidential information to the mobile number it found that amounted to a data protection breach.

Mrs S responded to say she accepted the terms of the provisional decision.

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.

As noted above, Hoist responded and provided a detailed explanation of how it traces customers, the information it obtains and the fact it uses a third party. I want to ensure all parties that I've read the full detail of Hoist's response. And I understand Hoist had a legitimate reason to try and trace Mrs S so it could talk to her. But, I haven't been persuaded to change my view.

Hoist's response says there's been no breach of the Data Protection Act. But my provisional decision doesn't mention a breach. We make decisions on a fair and reasonable basis. So my provisional decision was made on the basis of whether information sent in Hoist's text message meant Mrs S was treated unfairly. I make no comment on the Data Protection Act.

I remain of the view that the text message contained information about Mrs S that, when shared with her daughter, led to a significant level of distress and inconvenience. The text message included Mrs S' first name, an account number, a request for contact, reference to whether an ongoing payment arrangement remained affordable and a warning that failure to make contact would lead to the plan being cancelled. The text message also gave Hoist's website and phone number. The text message contained Mrs S' first name and was sent to her daughter. I remain satisfied it was possible for Mrs S' daughter to work out she had a debt with Hoist that is subject to a payment arrangement.

In Mrs S' case, I am satisfied that the text message sent caused a significant level of distress and inconvenience. I've considered Hoist's full response but haven't been persuaded to change the conclusions I reached in my provisional decision. I still think Mrs S' complaint should be upheld, for the same reasons.

My final decision

My decision is that I uphold Mrs S' complaint and direct Hoist Finance UK Limited to pay her £250 (less any compensation already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 3 November 2022.

Marco Manente
Ombudsman