

The complaint

Mr A complains the product he took out with ClearScore Technology Limited trading as ClearScore didn't prevent fraud from being committed against him. And they also didn't notify him when he became a victim of fraud.

What happened

In April 2021, Mr A says he paid £49.99 for a fraud protection service for a year called 'Protect Plus' with ClearScore. Mr A confirmed once the year elapsed, he didn't renew the Protect Plus service.

Mr A says after purchasing Protect Plus, he had two forms of banking fraud and one form of identity fraud committed against him. Mr A says Protect Plus should have protected him from being a victim of fraud altogether. Mr A says part of the description of Protect Plus is that it'll notify him of any fraud indicators on his credit report. However, he didn't receive any notification or alerts when the three instances of fraud were committed against him. As a result, Mr A wants a refund of the fee he paid as he feels the Protect Plus didn't do what it was designed to do.

ClearScore said Protect Plus isn't a fraud prevention service and isn't marketed as such. Instead, it's a fraud protection service and includes benefits such as fraud case management and help and support should a customer fall victim to fraud. ClearScore also said Protect Plus would help make Mr A aware if any of his information is being used on internet websites. ClearScore also told Mr A that Protect Plus wouldn't stop accounts being created in his name. But that he would have been notified of any changes made to his credit report depending on what Mr A's notification settings were. But ClearScore couldn't confirm what Mr A's notifications settings were set to and whether he'd opted out of receiving alerts. As a result, ClearScore didn't think they had acted unfairly and said they wouldn't refund the £49.99 Mr A paid, especially as it was a non-refundable payment.

Unhappy with ClearScore's response, Mr A brought his complaint to our service. One of our Investigators looked into Mr A's concerns. Ultimately, she concluded there wasn't sufficient evidence to show Mr A was notified of the fraudulent accounts as he ought to have been and so she recommended ClearScore refund Mr A half of the Protect Plus annual fee. Mr A didn't respond to say whether he thought this was fair or not. But ClearScore said they didn't think it was fair. In summary, they said their alerts service isn't the only way they notify customers about any changes to their report. And that credit reports have a 'changes' section which is updated as soon as anything changes in a customer's report, regardless of a customer's notification settings. ClearScore also confirmed they don't advertise alerts as a benefit of the Protect Plus product. So, 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.

ClearScore's website confirms Protect Plus is a premium version of ClearScore's standard service and that a customer will benefit from certain features *in addition to* all the features ClearScore's standard service provides (which is free of charge).

Mr A complains the Protect Plus didn't prevent him from being a victim of fraud. Having looked through the terms and conditions of this product, I haven't seen anything to suggest it's designed to *prevent* someone from being a victim of fraud. And I also haven't seen anything to suggest it was advertised as being able to prevent someone becoming a fraud victim completely. Instead, I think the terms and benefits of this product indicate that it's intended to add an extra layer of protection against fraud rather than being a fraud prevention service. So, I don't think I can say the product was misrepresented to Mr A on this basis.

Mr A says he didn't receive any notifications when the fraudulent accounts were taken out. Mr A also said there were two soft searches and one hard search carried out on his credit report and he wasn't alerted to this. ClearScore have said they don't advertise alerts as a benefit of Protect Plus.

Amongst other benefits, I can see one of the benefits of Protect Plus is that it'll carry out daily cyber checks – this is where scans of the dark web for Mr A's personal email address(es) are carried out and any breaches would be flagged to Mr A. Another benefit of this product is that it also scans the dark web for any leaked personal information that may be shared for fraudsters to use. It's not clear to me exactly what details of Mr A's were used in the three fraudulent accounts he has told us about. Based on what Mr A initially told us, it seems the fraudster may not have used Mr A's email address to take out the accounts as he's said it's unlikely a fraudster would use his actual email address when trying to defraud him. But then again, even if the fraudster did use Mr A's email address, it's not clear how the fraudster was able to obtain it. In any case, it seems likely the Protect Plus would have only notified Mr A if his details were shared on the dark web – but I haven't got any evidence to suggest this was the case.

In addition to this, part of the Protect Plus benefits explain that Mr A's credit report would be monitored on a daily basis for any indication of fraud. But it doesn't go on to then say Mr A would be notified or sent an alert if there was an indication of fraud. So, I don't think ClearScore advertise receiving alerts as part of the Protect Plus product if there was an indication of fraud.

However, as previously explained, taking out the Protect Plus product meant Mr A had those benefits *in addition to* the standard benefits provided by ClearScore – which are benefits a customer gets when signing up, for free, with ClearScore. Under these standard benefits, ClearScore have confirmed that they would notify a customer of changes to their credit report (this is dependent on their communication preferences). ClearScore have provided a screenshot which shows a hard search was recorded on Mr A's credit file on 7 May 2021 at around 5am – which seems likely to be one of the fraudulent accounts Mr A has told us about. And ClearScore have also provided a screenshot to show Mr A clicked on this change on the same day at around 3pm. However, ClearScore can't confirm what Mr A's communication preferences were set to in May 2021 and whether Mr A was sent a notification of the change in his credit report on this occasion. Nonetheless, ClearScore said even if Mr A didn't receive a notification like he wanted, he would have seen this search when checking the 'changes' section on his credit report.

I understand ClearScore's point but they haven't provided any evidence to show Mr A unsubscribed from receiving alerts at the time there was a change made to his credit report in May 2021. Additionally, I find Mr A's testimony to be persuasive in that he didn't receive notification of changes to his credit report in this instance. As the Protect Plus included

benefits in addition to the standard ones, I think it's reasonable to believe that all of the standard benefits would perform as expected. However, it doesn't seem Mr A received an alert for at least the hard search that was carried out on his credit report. I'm not persuaded Mr A had full use of the benefits on this occasion, so I agree with our Investigator that I think the fairest way to compensate Mr A is to reimburse him half of the Protect Plus fee - for ease, I require ClearScore to pay Mr A £25.

My final decision

For reasons explained above, I uphold this complaint and require ClearScore Technology Limited trading as ClearScore to pay Mr A £25.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 9 December 2022.

Leanne McEvoy
Ombudsman