

The complaint

Mr G complains DFS Trading Limited misled him into making a purchase, and in turn, completing a credit application to finance it. He is also unhappy there was a search listed on his credit file.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts aren't in dispute so I will focus on giving the reasons for my decision.

I issued my provisional decision on 27 January 2023. In this, I explained DFS should pay Mr G £250 in recognition of the distress and inconvenience Mr G is experiencing due to their mistake. DFS accepted my provisional decision, but Mr G didn't. He said the following:

- He's unhappy DFS sent him a cheque for £250 (without a letter of apology) despite him not agreeing to settle his complaint.
- He's still being treated for his mental health conditions, and I hadn't asked him for medical reports or prescriptions.
- He doesn't consider taking two weeks to request removal of the credit search was prompt.
- He never said that he was unable to get credit or a financial product.
- DFS obtained his personal data unlawfully, and he's worried about what the adviser did with them. This makes him concerned to share his personal data with other businesses.
- I didn't clarify why he isn't entitled to compensation over £1,500.

I've considered what Mr G has told us. However, I've not been persuaded to change my decision. I'll explain my reasoning below.

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 considered everything, I'm upholding Mr G's complaint (albeit not as he wants) for these reasons:

- DFS have demonstrated they've taken steps to remove the search from Mr G's credit file. DFS accepted they made a mistake, so it was only fair this search was removed. Businesses, like DFS, deal with multiple customers at any given time, meaning they can't always provide immediate responses or respond in the timeframe a customer would prefer. They had eight weeks to investigate and resolve Mr G's complaint. Given they removed the search in two weeks, and told Mr G at the same time, I still consider they did so quickly. The timeframe in which this was done persuades me that DFS took Mr G's concerns seriously.
- While Mr G may not have explicitly expressed concern about being able to obtain credit, my decision was based on his testimony. This explained his unhappiness with having a search on his credit file – and he sent me a copy of a search he said was still showing. Because of that, I felt it necessary to address this point – and it's for me to decide how best to comment on the points referred to our Service.
- As explained in my provisional decision, I've not seen anything to persuade me Mr G's credit score or ability to obtain credit was affected by DFS' mistake. The extract of Mr G's credit file that he sent us refers to a soft search, but also doesn't mention the name of the business who conducted it. Soft searches aren't visible to lenders, nor do they impact a person's credit score. This explanation is visible on the website Mr G used to check his credit file, so I'm satisfied he had access to this information.
- I appreciate Mr G has said he doesn't know what DFS' adviser did with his personal details. However, I've seen nothing to demonstrate the adviser handled Mr G's personal data outside his capacity as an employee for DFS. It's not for our Service to make findings on hypothetical situations. And in the absence of any evidence to suggest what happened was anything other than a mistake, my position remains the same on this point. I should also add that I don't consider it's unusual Mr G didn't speak with the same adviser again, or that DFS should be penalised for their advisor taking annual leave. I can't agree that's a reason to safely conclude the circumstances complained about were more than a mistake.
- Before issuing my provisional decision, I asked Mr G to explain how his health had been impacted and what treatments he was receiving. When responding to this query Mr G could have provided medical reports if he wished, but he didn't. However, I'm satisfied he provided sufficient information for me to reach a decision. I have no reason to disbelieve what he told me and explained the same in my provisional decision. It's for this reason I don't consider it's necessary to wait for additional medical evidence before issuing my final decision. Additionally, we are an informal alternative to the Courts, and unfortunately it seems Mr G is hoping for a level of investigation and commentary our Service doesn't have the power to provide. That is why I haven't commented on whether DFS has acted unlawfully or referenced specific case law, legislation, or regulations. While I have taken these things into consideration, our role is to make a finding on what we consider to be fair and reasonable – and that's what I've done.
- Mr G says I didn't clarify why he isn't entitled to a minimum of £1,500 compensation. However, I'm satisfied my provisional decision clearly explained what I considered was a fair award and the reasons why. What this comes down to is a difference of opinion.

- Taking everything into consideration, I still consider an award of £250 is fair and reasonable in the circumstances. While I empathise with the difficult time Mr G is going through, I can't ignore the fact his main concerns are hypothetical situations. There is no guarantee or evidence to persuade me that DFS' mistake means Mr G will experience something similar, or worse, at the hands of another financial business. So, I can't place weight on those concerns when deciding an appropriate award. However, it's reasonable to conclude there would have been a level of disappointment, worry and inconvenience when Mr G realised he couldn't receive the bed he ordered; and that he'd mistakenly been made to complete a credit application. And it's Mr G's specific circumstances with his health that made me consider an award of £250 is fair. Were it not for the impact on his health, the award would have been lower.

For these reasons, I'm upholding Mr G's complaint.

My final decision

My final decision is to uphold Mr G's complaint about DFS Trading Limited.

DFS Trading Limited has already sent Mr G a cheque for £250 to settle his complaint, and as mentioned above, I think this is fair in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 8 March 2023.

Sarrah Turay
Ombudsman