

The complaint

Miss L complains that APFIN LTD, trading as cashasap.co.uk ("Apfin") in 2022 failed to manage her account and credit reporting following an earlier incident from 2020.

What happened

Matters relating to a fraud incident in March 2020 are the background to this complaint. It related to a loan taken from Apfin in Miss L's name but not by her. That sounds as though it has been investigated and the party involved (not Miss L) has been prosecuted. Miss L has told us that she received compensation from the Court.

In March 2020, Apfin told Miss L that it would remove the loan from her credit file and it would not be pursuing her for any loan sums as it accepted the fraud matter had been resolved. Neither Miss L nor Apfin has been able to provide us with any evidence about what happened to any credit file entries.

In the summer of 2022 Miss L instructed a Claims Management Company (CMC) to raise several complaints against a number of loan companies and mistakenly included this Apfin loan on the list given to her CMC. So Apfin received an irresponsible lending/mis-sold loan complaint from the CMC acting for Miss L in July 2022. The CMC no longer acts for her. The mis-sale complaint has been withdrawn by Miss L.

That mis-sale complaint, Apfin says, precipitated the complaint process to be activated and alongside that an arrears letter was generated. Miss L was annoyed to receive that.

Miss L explains it has had a bad effect on her and in her view demonstrates that the credit file entry had not been removed in March 2020 as Apfin had said it would be. Miss L has told us that coincidentally she was declined credit for a washing machine purchase in 2022 and so she says this was further evidence of Apfin's failure to do what it said it was going to do with the credit file in 2020. No evidence has been sent of that credit refusal either.

Apfin sent to Miss L a final response letter (FRL) in July 2022 in which it explained it had corrected her credit file again, it had no real explanation as to why that had been missed or had been re-applied. But it accepted something had gone wrong and so it offered £75. That offer remains.

Apfin sent a detailed explanation to our adjudicator who reviewed it all and did not think that Apfin had done anything wrong. And he considered that what Apfin had acknowledged and had offered to pay £75 as a distress and inconvenience payment was satisfactory.

Our adjudicator did not uphold Miss L's complaint and with no evidence about the credit file entries, or the failed credit application, then he could come to no conclusions on that point either. Apfin has confirmed that in July 2022 it removed the entry from Miss L's credit file.

Miss L disagreed. She made a counter-offer to accept £200 from Apfin to resolve the complaint. This was put to Apfin which said that as no further evidence had been provided then it did not see why it should increase the offer.

Miss L was informed. She was asked to send in further details such as her credit file. Our adjudicator explained that a current one would cover the past six years. It would give him insight into the state of her credit file to determine the likely cause of the credit application decline. Miss L has not done this and she was asked for it a month ago.

Our adjudicator wrote again to say that the complaint was being passed to an ombudsman.

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.

I've read all the details. There is very little evidence on the complaint file as to the fraud matter which was dealt with some time ago and is background to this complaint. Although, I was sorry to read that Miss L had had to experience all that upset in the past. So, having read all that I have been sent, most of which I took time to summarise in the '*what happened*' part of the decision, then I need not repeat it here.

Neither Apfin nor Miss L have sent evidence of Apfin failing to remove the credit entry in March 2020. And Apfin has given a detailed and credible explanation as to why, which, in the absence of anything else I am inclined to accept. It was an oversight or an administrative hiccup. Or it was removed in March 2020 and then re-applied when Miss L made the irresponsible lending /mis-sale complaint through her CMC in 2022.

There's no evidence that the washing machine credit application was declined for the Apfin reason.

The fact that Apfin have acknowledged and recognised that something has gone wrong and has offered Miss L £75 to compensate her I consider to have been a fair offer. I endorse it.

As this was made in the FRL and before it was referred to us then I officially do not uphold the complaint. But I expect that Apfin will send that payment to Miss L.

My final decision

My final decision is that I do not uphold the complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 2 June 2023.

Rachael Williams
Ombudsman