

The complaint

Mr E complains that 247 Money Group Limited trading as 247Money hasn't handled his data correctly. And this has caused him a loss and a significant amount of distress and inconvenience.

What happened

Mr E entered into a hire purchase agreement with 247Money to purchase a car. I can see that Mr E has had problems repaying the loan, and so he was in touch with 247Money throughout the time he has had the credit due to this.

Mr E called 247Money in November 2023 and he was not asked any Data Protection Act ('DPA') questions to determine if 247Money was speaking to the right person.

In December 2023, Mr E complained about 247Money not following the correct data security procedures. 247Money agreed that its representative didn't ask the '*relevant security questions*' in the November 2023 call to ensure it was speaking to the correct account holder. It apologised for this and said that it had contacted the relevant area to ensure this wouldn't happen again.

Mr E didn't agree with this, and he brought his complaint to the Financial Ombudsman Service. He said that he had been caused a significant amount of distress and inconvenience by 247Money's error and he should be compensated for this. He thinks that it would be fair, for example, for him not to repay the remainder of his loan in part or in full. He said it was made worse as this wasn't the first time that 247Money had made this kind of mistake.

One of our Investigators considered the complaint and didn't uphold it. He said it wasn't disputed that 247Money had made a mistake in its call handling and security procedures. But as Mr E was the correct person to talk to about his car finance, no information was disclosed to a third party. So, the impact of this error was minimal. He thought the apology, and what 247Money had said it would do to stop this happening again, was reasonable and proportionate.

Mr E didn't agree. He said the point was that they broke data protection rules, and this alone had caused him a significant amount of distress and inconvenience. This has been detrimental to his health and family relationships. He has also said that he has had to pay a credit reference agency subscription to ensure that this error had not affected his credit rating.

Mr E has referred his complaint to the Information Commissioner's Office ('ICO'). The ICO has agreed that 247Money didn't correctly determine if Mr E was the right person to speak to. It has said that 247Money should put training in place to ensure this doesn't happen again and it intends to monitor this situation.

There was some further correspondence between Mr E and the Investigator but as no agreement was reached the complaint has been passed to me to consider. No new issues were raised in this correspondence.

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.

It is firstly worth saying that the Financial Ombudsman Service's role is to see if a business has made a mistake in the individual circumstances of the complaint. And if there has been a problem, what impact this has on the customer and what needs to be done to put things right.

But we aren't a regulator and it's not our role to require or recommend that a business change its process or ensure its staff are better trained. This is the role of the industry regulator, the Financial Conduct Authority ('FCA') and the ICO in cases of consumer data protection. I can see that the ICO has made a recommendation here about how 247Money trains its staff. So, I won't comment further on 247Money's wider data protection processes.

It's been established that 247Money should have made sure it was talking to Mr E in the phone call that this complaint is about. Mr E thinks he should be paid compensation for the mistake that 247Money has made and he has provided some excerpts from the General Data Protection Regulations that he says support this. This is because they say that *'Any person who has suffered material or non-material damage as a result of an infringement of this Regulation shall have the right to receive compensation....'*

Mr E's specific complaint is that 247Money didn't make identity checks before speaking to him about his car loan. But even though it's agreed that 247Money should have done better here, as reflected in the regulations above, to make an award it needs to be evident that the mistake made has caused some kind of damage (or loss or harm). So, I must consider if Mr E has suffered any detriment because of 247Money's poor call handling procedures as he says.

I've listened to the call between Mr E and 247Money. Having done this I think it's clear that 247Money was speaking to Mr E about his loan. So, none of Mr E's data was disclosed to any third parties and he hasn't suffered any damage due to 247Money's lack of DPA checks. So even though 247Money should have done better here, there isn't a prospect of these failings causing Mr E a financial loss or any detriment. And they won't result in any problems of privacy of information (such as his family becoming aware of something he wanted to keep private) as no information was incorrectly disclosed. So, I don't think it would be right to award compensation for financial loss, or distress and inconvenience, due to this as I don't think it's reasonable to say that these losses were incurred.

And it follows that I don't see why Mr E would need to check his credit file because of this telephone call.

Mr E has said that this isn't the first time this has happened, and 247Money has settled a complaint he made earlier about how it looked after his data. I'm only looking at this one issue here and I don't think that it would be fair to award any compensation as this poor procedure didn't lead to any negative consequences for Mr E.

I appreciate that Mr E feels strongly about this, and what I've said won't be what he wants to hear. But I hope my decision doesn't cause him any undue distress.

My final decision

For the reasons set out above, I don't uphold Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 1 November 2024.

Andy Burlinson
Ombudsman