

The complaint

Mrs P complains that she was encouraged by B&Q Limited (B&Q) to make unnecessary credit applications, and that her ability to obtain credit was damaged as a result.

What happened

Mrs P applied for credit to fund a kitchen. The agreement was brokered by B&Q and the application was made in store. Mrs P says she was advised that her application was successful but when she tried to sign the credit agreement in store it didn't work, so she says she was told by B&Q to try again at home. When that failed, she was encouraged to apply again for another product but that credit application was declined.

Mrs P complained to B&Q. She said their actions had damaged her credit file and had caused her embarrassment. B&Q didn't respond to Mrs P's complaint.

Mrs P referred her complaint to this Service. B&Q didn't provide any evidence for this Service to consider and on the limited information available to her, our investigator thought they should pay Mrs P £150 in compensation for the distress and inconvenience they'd caused.

Mrs P agreed with the investigator but as B&Q failed to respond, Mrs P's complaint has been referred to me, an ombudsman, for a final 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.

I'm upholding this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

B&Q haven't provided any information to defend this complaint despite our investigator's frequent correspondence with them. I can see that they asked for an order number and a customer reference in April 2024 but when our investigator provided those details B&Q didn't respond. Mrs P has raised a parallel complaint with the creditor and having considered the details of that complaint and her testimony I think I have sufficient information to decide it's likely Mrs P was poorly advised by B&Q.

They should have resolved the problem with the electronic signature rather than asking Mrs P to make further applications. I think the recurrent applications were likely to have been lodged on her credit file and to have had some impact on her future credit applications and I can understand that, with her good credit record, it would have been embarrassing to have been denied credit in store.

In the circumstances I would agree with our investigator's suggestion that B&Q should pay Mrs P £150 to compensate her for the distress and inconvenience caused.

My final decision

For the reasons I've given above, I uphold this complaint and tell B&Q Limited to pay Mrs P £150 to compensate her for the distress and inconvenience they've caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 24 September 2024.

Phillip McMahon
Ombudsman