

The complaint

Miss P complains that Inclusive Finance Limited, trading as Creditspring, terminated her loan agreement. She also complains about the service she received after the cancellation.

What happened

Miss P had a loan agreement with Creditspring but she missed some payments and made some payments late, so Creditspring decided to terminate her agreement.

Miss P complained to Creditspring about this and on the 11 January 2024 it sent her its final response. It didn't uphold Miss P's complaint.

On 12 January 2024 Miss P tried to open another loan account. She used some different details when trying to open the second account, but Creditspring identified that it was Miss P. She used a different spelling of her name, a different date of birth, and a different email address and phone number.

When Creditspring realised this it declined to open the second account for Miss P. It told her that she wouldn't be allowed to apply for a new membership.

Miss P complained about this. She says the mistakes on her second application were not deliberate. She says she was made to feel afraid that the authorities would come to her house. And she says that staff she spoke to about the issues were rude and didn't take into account her individual needs.

Miss P complained about this to Creditspring but it didn't uphold her complaint. So Miss P brought it to this service.

Our investigator looked at Miss P's complaint but didn't think Creditspring had done anything wrong. Miss P disagreed with our investigator, so her 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.

Having done so I have come to the same conclusion as our investigator and for the same reasons. I will explain my decision.

Creditspring terminated Miss P's loan agreement because she missed payments. Creditspring was allowed to do this under the terms of the agreement, so I don't think it did anything wrong here.

When her complaint was concluded, Miss P immediately tried to open a further account. As explained, she used some slightly different details when she did this. Creditspring identified that it was her and it declined to open the account. Creditspring was aware that Miss P had struggled to meet the obligations under her first agreement, and it had a responsibility to only lend when it had reason to believe that it would be affordable for Miss P. It concluded that it wouldn't be affordable because it had only recently closed her first account as she hadn't been able to make the repayments on time. Creditspring made a commercial decision not to lend to Miss P again and it was entitled to do this.

Miss P complained about this, too. At the same time, she complained about how a telephone call with Creditspring was handled and she requested that her data be removed from its systems.

In its initial response to her Creditspring referenced the differences in the details she used when she tried to open the second account. It indicated that it viewed this as attempted fraud. It also asked Miss P not to make abusive or offensive comments to its staff.

Miss P says there are good reasons why her details were different on her second application, but she is worried that Creditspring thinks she changed her details deliberately.

It is not for me to decide whether Miss P did this deliberately. And whether it was deliberate or not makes no difference to whether Creditspring was allowed to decline her further application. However, the suggestion did upset Miss P and she complained about this. She rang Creditspring on many occasions, speaking to a different person each time. She made further complaints about each call. In total she complained about five members of staff.

I have listened to those calls, and I didn't hear anything which made me think any of the staff Miss P spoke with acted inappropriately, rudely or offensively. Indeed, I found that staff went out of their way to sympathise with Miss P and to explain to her again why the decisions had been made to close her first account and not allow her to open a second account. They directed her to other avenues of support and explained to her its data retention policy and why it could not immediately delete all her data. None of the information provided was incorrect. In my view Miss P was, at times, rude and abusive about staff but they each handled this professionally.

Creditspring responded quickly to each of Miss P's complaints, and it acknowledged Miss P's vulnerabilities. But eventually it had to explain to her in writing and over the phone that she had exhausted its complaints process and it wasn't able to communicate with her anymore. It told Miss P she could bring her complaints to this service, which she obviously did.

While I also acknowledge the challenges Miss P faces and circumstances which make her vulnerable, having reviewed all of the evidence I cannot fairly conclude that Creditspring did anything wrong. This means that I do not uphold Miss P's complaint and I am not going to ask Creditspring to do anything differently.

My final decision

I realise this will come as a great disappointment to Miss P but I do not uphold her complaint and do not direct Inclusive Finance Limited, trading as Creditspring, to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 25 September 2024.

Sally Allbeury
Ombudsman