

The complaint

Mr G complains that Lombard North Central Plc ('Lombard') unfairly declined his application for borrowing and recorded information with National Hunter in January 2023.

What happened

Mr G applied for borrowing with Lombard in January 2023 to acquire a car. He says that he was given the impression his application had been accepted and therefore paid the supplier a £200 deposit and arranged to sell his current car. Mr G says he was subsequently told his application had been declined, without explanation, in February 2023.

Mr G says he then became aware that Lombard had recorded information with a fraud database – National Hunter – to say that he'd provided it with incorrect information in the course of his application.

It's my understanding that Mr G attempted to address the issue with Lombard and I've seen that it wrote to him in January 2024. Lombard said it was satisfied the application had been declined fairly after it had carried out appropriate checks. It also said that it was entitled to share information about the application with other agencies.

Mr G referred his complaint to this service in February 2024. He reiterated that his application had been declined without explanation and that Lombard had unfairly recorded information with National Hunter without telling him or asking for further information. He also said he'd been caused a loss of £200 in respect of the deposit he paid the supplier and a further £5,000 relating to the sale of his car as a result of depreciation.

Our investigator said that they'd considered all of the evidence provided by both parties and ultimately concluded that Lombard had acted fairly by declining Mr G's application and recording information with National Hunter.

Mr G didn't agree. He said that he didn't have a problem with his application being declined, but he did with information being recorded with National Hunter. He said that all of the information he provided Lombard in the course of the application was correct.

The case has been passed to me to make a decision on it.

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.

Lombard comes under this service's jurisdiction for certain activities. So, I can only consider Mr G's complaint if it's about Lombard having carried on an activity specified under our rules. Broadly speaking, this service is able to consider complaints about regulated agreements, as well as some others specified.

Mr G's complaint follows an application he made with Lombard for an agreement that ultimately wasn't entered into. He's an eligible complainant under our rules and Lombard

accepts that Mr G's application was made on a personal basis and would've been a regulated agreement. Lombard said that it believed it to be within this service's power to investigate the complaint, and I agree based on what's been said.

I've carefully considered both parties representations. Having done so, I don't think Lombard acted unfairly by declining Mr G's application, nor recording information with National Hunter in relation to it. I'll explain why.

It's generally for Lombard to decide whether or not to lend to Mr G and on what terms. From what Mr G has said I think he accepts that. I've seen that following the application Lombard emailed Mr G to say that it had been approved subject to internal checks. It's clear to me that Lombard subsequently carried out further checks and made a legitimate decision to decline the application. Lombard then wrote to Mr G on 3 February 2023 explaining that his application had been declined due to adverse credit information recorded against him. I can't fairly find that Lombard acted unfairly in making that decision. I also disagree that Lombard misled Mr G about the application or declined it without reason, as he asserted.

Mr G has shared evidence to show that Lombard recorded an 'inconsistency' marker with National Hunter in relation to his application. I've carefully considered all of the information both Mr G and Lombard have provided in relation to the application. Having done so, I don't think that it was unfair for Lombard to have recorded the information it did with National Hunter. I don't think there was an obligation to tell Mr G it had done this, nor that it ought to have asked Mr G for more information.

Given all of the above, I don't find that Lombard has acted unfairly by declining Mr G's application nor recording information relating to it with National Hunter.

My final decision

For the reasons explained above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 28 October 2024.

Stephen Trapp
Ombudsman