DRN-5501354

The complaint

Mrs M complains that multiple searches were carried out by Hippo Vehicle Solutions Limited trading as Hippo Approved ("Hippo") after she contacted them to enquire about arranging finance for a car.

What happened

The parties are familiar with the background of this complaint so I will only summarise what happened briefly here.

In May 2024 Mrs M completed an application with Hippo to enquire about arranging finance for a car. Hippo are a credit broker, and aren't a lender, and they submitted Mrs M's application to their panel of lenders. Those lenders conducted 'soft' searches on Mrs M's credit file to assess her suitability, and her application for finance was declined by all lenders at this point.

Mrs M complained to Hippo as she was unhappy with the number of soft searches shown on her credit file. She said that Hippo had submitted her application three times, resulting in more searches than were necessary. She wanted Hippo to remove the searches.

Hippo responded to Mrs M to confirm they hadn't applied any soft searches to her credit file. As a credit broker, all they had done is forward her application to their panel of lenders to consider, and those lenders were responsible for any soft searches. Hippo also confirmed to Mrs M that soft searches aren't visible to other lenders, so wouldn't impact her ability to obtain credit elsewhere.

Mrs M wasn't happy with this and brought her complaint to our service. Our investigator didn't uphold it. He explained that Hippo hadn't applied any soft searches to Mrs M's credit file. He acknowledged that some of the lenders may have conducted more than one search, but Mrs M had accepted Hippo's terms when completing her initial application, and those terms explained that soft searches would be carried out by the panel of lenders.

Mrs M remained unhappy. She was adamant that Hippo had submitted her application three times, which is why multiple searches had been completed.

As Mrs M didn't agree, 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.

Both parties have provided a lot of information here. I'd like to reassure them that I've read and considered everything that's been sent, although I haven't commented on it all within this decision. I will be focussing on what I consider to be the key points of this complaint.

Having done so, I'm reaching the same outcome as our investigator. I'm not persuaded that Hippo have submitted Mrs M's application three times or have applied any soft searches to her credit file. I'll explain why.

Hippo were acting as a credit broker in this case. Credit broking is a specified kind of activity which I can consider. Hippo wasn't the lender here, and they didn't conduct any searches themselves. They processed Mrs M's personal information whilst carrying out the activity of credit broking.

In this case, individual lenders conducted a soft search against Mrs M's credit file, and the applications for finance were declined. When entering her details into Hippo's application form and submitting them to Hippo, Mrs M had accepted as part of the terms and conditions that soft searches would be carried out by the panel of lenders. I appreciate Mrs M is concerned as to how the searches have and might affect applications for credit, but I haven't seen anything to show me she has been adversely affected, or that she's been declined for credit, or offered credit on less favourable terms, as a direct result of what happened.

However, even if this were the case, and Mrs M had been able to demonstrate she'd been adversely affected by the number of searches on her credit file, it wouldn't have been the responsibility of Hippo, as they didn't carry out any of the searches being seen. So, it follows that I'm satisfied Hippo haven't caused any detriment to Mrs M's credit file.

Mrs M's credit file does show that some of the lenders have carried out more than one search in May 2024 when assessing her eligibility for credit. However, it would be for those lenders to explain those searches to Mrs M, and she would need to approach them directly to discuss the searches they each completed. Hippo have only passed her details on, as part of their role as the credit broker in this case.

I know this decision will come as a disappointment to Mrs M. But there isn't any evidence to show Hippo have submitted her application on three occasions, and Hippo haven't conducted any searches on Mrs M's credit file. As such, I won't be asking them to do anything here.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 1 October 2025.

Kevin Parmenter
Ombudsman