

## The complaint

Mr P complains that Creation Consumer Finance Ltd (“Creation”) has recorded adverse information, including hard searches, on his credit file in relation to applications for credit.

## What happened

The background to this complaint is well-known to both parties, so I will only summarise the main parts.

In September 2024, Mr P applied online for a credit account with Creation to pay for goods he wished to purchase with a retailer. This application was technically accepted by Creation but wasn’t finalised due to what appears to have been problems at Creation’s end.

Mr P saw a screenshot suggesting that he reload the online page. Mr P refreshed the screen, but this didn’t work. So, he went through the whole process again and the same thing happened. Mr P then tried to apply on his mobile phone and was told he wasn’t eligible for an account.

Mr P contacted Creation and was advised to try and apply again. However, this also didn’t work. Creation said they would remove the hard search they recorded on Mr P’s credit file for the account that was accepted but not finalised (ending in 541) and subsequently agreed to remove the hard search for one of the failed applications (ending in 682). Mr P though was concerned that he now had multiple hard searches on his credit file because he had tried to reapply for the credit account on several occasions.

Mr P complained to Creation but remained unhappy with the situation following their response. So, he referred his complaint to our service.

Our investigator didn’t think Creation needed to do anything to put things right for Mr P. Mr P didn’t agree, and his complaint was passed to me for a decision.

I issued my provisional decision on 26 November 2025, in which I said the following:

*“I want to acknowledge again that I’ve summarised the events of this complaint. This is mainly because I’ve concentrated on what I consider are the key aspects of what happened. However, it’s also an acknowledgement that it’s difficult for to me to be certain how many times Mr P went through the application process and what happened on each occasion. I feel though that I can simplify matters here and reach what I think is a fair outcome.*”

*I'm satisfied first of all that Mr P only ever intended to apply for one credit facility with Creation, to pay for the goods he wanted to purchase with the retailer. I'm also satisfied that this application was accepted in principle but, for reasons that aren't entirely clear to me, this wasn't finalised. However, I think on balance that this occurred because of a problem at Creation's end. I can't see otherwise how Mr P's application would have been accepted bearing in mind this was an online application and an automated decision made by Creation. I note also that Mr P has provided a screenshot showing an error message which said, 'Well, this is embarrassing...It seems that something went wrong and it's most likely completely our fault. We're very sorry about this'. Creation also hasn't sought to say how and why this was an issue somehow caused by Mr P and/or the digital method he used to apply.*

*What then followed was Mr P essentially trying to get to the same position he thought he was already in, and the position he always intended to be in, which was to open one credit account with Creation. And unfortunately, this matter wasn't then helped by Creation giving wrong information to Mr P about the active accounts he had with them. Creation said Mr P had an active account (ending 090) but then said this wasn't active. And they said the active account that Mr P did have, and still has, (ending 792) wasn't active but then said this was active. Creation also sent through nearly 30 case references to Mr P without any detail on what these referred to, which didn't in my view help matters and confused the picture even further as Mr P had no idea whether any of these were for applications he'd made from September 2024 onwards and if so, how many there were, the status of these, and whether any of them had resulted in hard searches being recorded on his credit file.*

*Overall, I think the whole experience has been very confusing and concerning for Mr P. And I think it likely his credit file has been affected by this and is currently in a position that doesn't reflect what Mr P always intended to happen. I say this noting that Creation has said a hard search they applied in early 2025 won't be removed because it was an application for credit made by Mr P. But in my view, that was a culmination of what had transpired beforehand, and not an indication of a separate, standalone application made at that time.*

*Mr P has asked for all hard searches and adverse information to be removed from his credit file from the time this issue began in September 2024, leaving just information relating to the only active account he has with Creation (account/reference ending 792). In view of what's happened, I don't think that's an unreasonable request, and I intend to direct Creation to do this. I think it best for both Mr P and Creation to be able to move on from this dispute as well.*

*I appreciate this will mean there will be no record of a hard search on Mr P's credit file from when he applied for the account via the retailer, which arguably isn't an accurate portrayal of things, as Mr P did want to apply for credit and was approved for this in principle. But the matter has been confused significantly in my view by conflicting and unclear messages from Creation about what applications Mr P made, tried to make, and the status of these. And I need to take into account the impact this whole matter has had on Mr P.*

*I am also conscious that I haven't gone into detail on what happened throughout. I haven't done so because I'm unable to determine exactly what happened at each stage, and why each application was declined or not approved. And, as I've mentioned already, I don't think I need to do this to reach what I think is a fair and reasonable outcome, which is essentially what my role here is to do.*

*In addition to the above, I think Mr P has been caused distress and inconvenience by what's happened and through his overall experience with Creation. I think a payment of £150 in recognition of this is warranted and fair".*

I asked Mr P and Creation to send me any further evidence or comments they wanted me to consider.

Mr P replied saying he was happy to accept my provisional findings and proposed outcome, although he did also ask me to consider his ongoing concerns about how Creation handles his personal data.

Creation replied saying they agreed with my outcome.

### **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.

Mr P and Creation both agree with my provisional conclusions and how I think Creation need to put things right for Mr P. So, I won't reiterate what I said in my provisional decision about the merits of this complaint or what I provisionally proposed to settle it.

Mr P has asked me to consider his concerns about how Creation handles his personal data. He says he submitted a Subject Access Request and the information they provided was sent to an incorrect address by post. This included sensitive personal and call data/recordings with his personal security details and payment details.

Mr P says this represents a clear breach of data protection obligations and he has submitted a complaint to the Information Commissioner's Office ("ICO") about this. Mr P asks that Creation deletes all data associated with the rejected or non-live accounts they hold on record for him, to provide him with some reassurance that his personal data is no longer at risk of further mishandling.

I think this matter is best answered by the ICO rather than myself, as requests for permanent deletion of data following concerns about how that data has been historically handled falls within their remit. And, as Mr P has complained to ICO about this, it's best I think if he waits for their response. I hope Mr P understands my rationale here.

Finally, Creation has asked that Mr P sends them a bank statement from the last three months so they can process the compensation of £150 I provisionally awarded (and now award). This is to confirm that the account is an active one. They've also mentioned they'd need to see Mr P's name, address and bank numbers.

In theory I don't have an issue with this request and if Mr P is happy to do this, then I won't say otherwise. But, bearing in mind that Mr P has clear concerns about how his personal data has been handled by Creation, if he isn't happy to do this, then I would understand. Perhaps the best compromise would be for Mr P to confirm his bank details to me, and I can pass them on to Creation securely. I am open to other suggestions about this though.

### **Putting things right**

Creation needs to arrange to remove all hard searches and adverse information from Mr P's credit file from September 2024, leaving just information relating to the only active account he has with Creation (account/reference ending 792).

Creation also needs to pay Mr P £150 for the inconvenience this matter has caused him. As I mentioned above, how this is paid to Mr P will depend on how he wishes this to happen.

## **My final decision**

I uphold this complaint and direct Creation Consumer Finance Ltd to take the action I've set out in the 'putting things right' section of my decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 1 January 2026.

Daniel Picken  
**Ombudsman**