

complaint

Mr M complains that Tandem Bank Limited carried out two credit searches when he applied for a credit card and that these have both been recorded on his credit file.

background

In late 2018, Mr M applied online for a Tandem credit card. He says that the web browser froze part way through his application and an error message appeared. He contacted Tandem using their web chat service and asked them to confirm whether his application had been successful. Two days later, one of Tandem's agents responded and said that Mr M needed to review and accept his offer. Mr M says he returned to the website that day expecting to access the offer, but instead a message appeared saying that his application had been declined.

Shortly afterwards, Mr M discovered that Tandem had carried out two credit searches which had both been recorded on his credit file. He contacted Tandem again and asked them to remove the second search immediately. Mr M didn't receive a response straight away, so he brought a complaint to this service.

When Tandem issued their final response letter, they upheld Mr M's complaint and agreed to remove one of the searches from his credit file.

Our adjudicator thought that was fair and that Tandem didn't need to do any more. But Mr M didn't agree, so his complaint has been passed to an ombudsman to be reviewed. He says the situation has had a serious impact on his health, causing him to take time off work. He's also unhappy with the amount of time Tandem took to respond to his complaint. So he thinks they should pay him compensation.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

From the information I've seen, it's clear that when Mr M went on to the Tandem website for the second time, a new (second) application was started and that's why a second credit search was carried out. Tandem say they had advised Mr M to click on the link "*review your existing offer*", rather than apply afresh. But they accept that he only intended to apply once, so they have agreed to remove the second search. I think that's a fair approach.

I find it unlikely that Mr M would have had the option to review his existing offer because both applications were declined. So the information Mr M was given by the agent seems to have been incorrect. But the applications were both declined for the same reason, which was that Mr M didn't meet Tandem's lending criteria. So, although Tandem haven't been able to explain why there was an error during Mr M's first application, I'm satisfied that it didn't affect the outcome.

This means that, even if the web browser hadn't frozen, Mr M's application would have been declined. So, if the second search is removed from his records, Mr M has been put back in the position he'd have been in if the second application and search had never been made. I think that's a fair outcome here.

I realise that Mr M feels strongly that Tandem should pay him compensation as well. He's unhappy with the amount of time they took to respond to the complaint. They had eight weeks to do so and they sent their final response letter one day after that. I don't think that's an unreasonable amount of time to respond and I don't think the extra day had a significant impact on Mr M. So I don't think they need to pay compensation for that.

Mr M also says that the situation has caused him a great deal of stress and that he has needed to take time off work. When he first complained to Tandem, he wanted them to put things right by removing the second search from his credit file. They upheld his complaint and agreed to resolve it by doing just that. I know Mr M feels strongly about the situation, so my decision will be disappointing to him, but I don't think it would be fair to ask Tandem to pay compensation here. They dealt with the complaint within a reasonable timescale and upheld it.

Part of the problem here is that Mr M doesn't seem to have received Tandem's final response letter. I don't have any information about why that might be, but I'm satisfied it was sent to the right address. So I can't conclude that it was Tandem's fault if Mr M didn't receive it. If he had received it shortly after it was posted, I expect some of the distress he has experienced would have been avoided. It's very unfortunate that he didn't receive it, but I don't find that to be Tandem's fault so it wouldn't be fair for me to ask them to compensate Mr M for that. So I'm not going to ask them to do any more here.

my final decision

For the reasons above, I don't uphold this complaint, in that I think Tandem have already done enough to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 August 2019.

Katy Kidd
ombudsman