

complaint

Mr E says it was wrong of Retail Money Market Ltd (trading as RateSetter) to record a 'soft search' on his credit file when he asked for a loan quotation.

background

Mr E filled in a form on RateSetter's website to get a quote for a loan. As a result 'quotation' and "anti-money laundering" searches were recorded on his credit file.

Mr E says RateSetter misled him about these two 'soft' searches – he believed they wouldn't appear on his credit file unless he actually applied for the loan. He thinks the searches should be removed from his credit file and he should get compensation for the time he's spent trying to sort this out.

RateSetter says:

- Mr E would have ticked a box on the quotation form which said he'd read the terms and conditions and understood RateSetter would perform a soft credit search, but the search wouldn't affect his credit score.
- The terms and conditions explained that if RateSetter searched for information held by the Credit Reference Agencies (CRAs) then those agencies would keep a record of the search.
- Mr E spoke to one of its call-handlers after asking for the quotation and the soft search was discussed. The call-handler didn't tell Mr E the soft search wouldn't appear on his credit file.

Our adjudicator didn't think RateSetter had misled Mr E so it didn't have to remove the soft searches from his credit file or pay him any compensation. Mr E asked for a second opinion, so the case has been passed to me.

my findings

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've reached the same conclusions as the adjudicator, for much the same reasons.

As RateSetter pointed out, the online quote form Mr E filled in said it would perform a soft credit search and this wouldn't affect his credit score. The form didn't say the search wouldn't show at all on Mr E's credit file and the call-handler he spoke to about a week after filling in the form didn't say that either.

Mr E has sent us a screen shot of the searches showing on his credit file from one of the CRAs. I've looked on their website and see it explains that *"Searches stay on your report for 2 years and don't have any impact upon your credit rating."* So what RateSetter told Mr E on the quotation form appears to be correct.

One of the searches RateSetter recorded is a 'quotation' and Mr E did ask for a quote. The other, 'anti-money laundering' search seems to relate to that quote – in my experience it's not unusual for that type of search to be carried out when someone applies for an account. So I think what's recorded on Mr E's credit file is a true reflection of what happened.

I don't think RateSetter misled Mr E before he asked for the quote. So I can't fairly tell it to remove the searches from his credit files. And it wouldn't be right to make RateSetter pay Mr E any compensation, because it hasn't done anything wrong.

my final decision

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 E to accept or reject my decision before 6 November 2015.

Ruth Lewis
ombudsman