

complaint

Mr L complains that Cash On Go Limited (trading as Peachy.co.uk), which I shall call “Peachy”, made excessive checks on his credit record when he took a small short-term loan from it.

our initial conclusions

Mr L provided us with a copy of his credit record, showing six separate credit checks made by Peachy in relation to the loan. Peachy provided its record of checks made about Mr L. The adjudicator found Mr L’s evidence convincing, and was not persuaded that Peachy had demonstrated that so many checks were warranted. He considered that the large number of checks had caused Mr L a degree of concern and inconvenience and recommended that Peachy pay Mr L £75 compensation for that. Peachy did not agree with the adjudicator. It said that its application process included Mr L’s authority for checks to be made by it and by its associates. Mr L said larger compensation had been paid in some similar cases.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr L and Peachy have provided. I find that the evidence provided by Mr L is more persuasive than that provided by Peachy, in demonstrating what checks were made in its name on Mr L’s credit file for this loan. Mr L’s application to Peachy included his consent for credit checking, which I would expect to see. I consider that, in giving consent, Mr L was entitled to expect that Peachy would make reasonable and proportionate credit checks. I am not satisfied that six separate recorded checks, some of which were made after the loan had already been granted, represented a reasonable and proportionate approach in this particular case.

The checks have now been removed from Mr L’s credit file, but I accept that he was caused some inconvenience for which I consider £75 reasonable compensation. The other cases which Mr L has mentioned are not directly comparable, as they concerned registration of out-of-date or wrong credit information.

My decision is that I uphold this complaint and order Cash On Go Limited (trading as Peachy.co.uk) to pay Mr L £75.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr L either to accept or reject my decision before 25 July 2013.

Jane Hingston
ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.