

complaint

Mr P complains that Blemain Finance Limited ('Blemain') wrongly made an adverse Credit Industry Fraud Avoidance Service (CIFAS) entry when he gave the incorrect name of his employer. He thinks that Blemain should take steps to remove that entry, as it is having a serious effect on his ability to find alternative finance.

background

In November 2015 Mr P (and Mrs P) applied through his broker for a loan from Blemain. In the application form (which was actually sent to Blemain in January 2016) he identified the name of his employer with whom he'd been for 10 months. In January 2016 Blemain telephoned Mr P to clarify his employment details, his ID and his confirmation that he knew what he was committing to. By then he had changed employers, but when asked who he worked for still gave Blemain the name of his previous employer. He also gave it two telephone numbers for his *new* employer (one of which was his personal work mobile). Blemain tried (without success) to make contact with the new landline number – so it contacted his former employer's landline (as shown on the application form) and was told Mr P had left in December 2016 and in any event was 'external'. It didn't explain what it meant by this, but it would appear that Mr P may not have been a direct employee.

As a result of Mr P giving false information about his employer to Blemain, it declined the loan application and reported the matter to CIFAS. Mr P complains about the CIFAS reporting as he thinks it is unfair.

Our adjudicator thought that Blemain was entitled, and indeed obliged, to report the matter to CIFAS.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've taken careful note of Mr P's further comments since the adjudicator's letter.

I have some sympathy with Mr P if he did provide his new employer's telephone number to Blemain during the telephone call of January 2016, but as Blemain could not get through, we do not know for sure that it was a current employer's number. However, Mr P did not tell Blemain that he had a new employer, but merely confirmed the identity of his now ex-employer. That is the key fact in this case. That may not have been a deliberate error, but merely careless – but it has had significant consequences for Mr P and his efforts to obtain further finance. For that reason Blemain was entitled not only to decline the loan application, but also was obliged to report the matter to CIFAS. This may seem a harsh consequence to Mr P, but Blemain was obliged to report the matter to CIFAS.

my final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 6 February 2017.

Charles Sweet
ombudsman