

The complaint

Mr I complains that Equifax Limited failed to update his credit file with his electoral roll details. And that it also mistakenly recorded a default. He wants compensation.

What happened

Mr I complains that Equifax took too long to update his credit file with details of his electoral roll registration. He said this had led to an application for credit being declined. And that it had also mistakenly recorded a default against one of his accounts.

Equifax told us that it has upheld Mr I's complaint about the electoral roll entry. And said that it had experienced a technical issue which had delayed his credit file being updated. It said this had been corrected in February 2020. It said it had offered £100 to Mr I by way of compensation.

But it hadn't upheld his complaint in relation to the recorded default. It said that a business which I'll refer to as "O" had supplied the information and that Equifax had raised a dispute with O upon receiving Mr I's complaint. It said that O had confirmed that Mr I was in arrears on the account and that no amendments were required.

Our investigator thought that Equifax' offer of £100 in relation to the electoral roll entry was fair and reasonable. But he didn't think it had done anything wrong in recording the default. He said that Equifax had recorded information supplied by O. And that it had raised a dispute with O when Mr I complained. But as O had confirmed the entry was correct, he said that Equifax hadn't done anything wrong in not removing the record.

Mr I didn't agree with this. He felt it was the fault of Equifax – not O – that the default had been recorded. And that its offer of £100 wasn't enough. As it's not been possible to resolve this complaint an ombudsman's been asked to make the final decision

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.

I can understand that Mr I would be upset if his credit file contained inaccurate entries and that this had affected his ability to obtain credit.

Mr I's complaint comprises of two main elements. He feels that Equifax took too long to update his credit file so that it reflected his registration on the electoral roll. And that it

mistakenly recorded a default in relation to an account with O and showed an incorrect debit balance.

I'm aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not responding to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've concentrated on what I think are the key issues here. Our rules allow me to do this.

This reflects the nature of our service as an informal alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

I'll first deal with the electoral roll issue. Details of electoral roll registrations are published annually. And are compiled by local authorities. It might usually be expected for this to be issued in January each year, but Equifax explained it had encountered some technical issues which meant a delay in correcting the entry until the following month. Mr I has suggested that this caused an application for credit to be declined. But I've seen nothing to show that the reason for any application being declined was due to this factor. I find that Equifax' offer of £100 was fair and reasonable.

Equifax, as a credit reference agency, records information that is supplied by financial businesses. And it can't alter the entries without the agreement of the relevant business. After receiving Mr I's complaint, Equifax raised a dispute with O – which is what we'd expect. And when O replied and said the record needn't be amended - and provided an explanation about account arrears - it was fair and reasonable for Equifax to accept this and not alter the record at that time.

I've seen a more recent screenshot of Mr I's Equifax credit file. This appears to show the default has now been removed from O's account. And the account shows a payment arrangement from March 2020 and an amended debit balance. This indicates that Equifax has recorded some amended details supplied by O. And the delay that occurred is due to it having to wait until it received these amended entry details from O.

Our investigator correctly stated in his view that if Mr I was dissatisfied with the way in which O had recorded his account history and balance, he would have to take it up with O. And it is my understanding that Mr I has now done so.

In summary, I find that Equifax has dealt with this complaint fairly. It gave reasonable explanations for its actions. And it offered what I consider to be a fair and reasonable level of compensation for the minor delay relating to the electoral roll.

Putting things right

Equifax should pay £100 to Mr I.

My final decision

Equifax has already made an offer to pay £100 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Equifax Limited should pay £100 to Mr I.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 6 January 2021.

Stephen Ross
Ombudsman