

The complaint

Mr I complains that Equifax Limited didn't deal with his request to amend his credit file.

What happened

In March 2020, Mr I contacted Equifax as he'd seen information about a third party on his credit file. In August 2020, Equifax asked Mr I for a copy of his birth certificate, passport and driving licence so that it could investigate further.

Mr I brought his complaint to this service in May 2020 as the third party data was preventing him from obtaining credit.

Equifax sent Mr I a final response in October 2020. Equifax explained again what documents it needed to see to prove Mr I's identity as by that point it had only received a copy of Mr I's driving licence.

The original investigator considering Mr I's complaint thought it was reasonable of Equifax to ask for additional verification documents. He didn't think the complaint should be upheld and recommended that Mr I should send Equifax a copy of his birth certificate and passport.

Mr I explained he couldn't provide a copy of his birth certificate and questioned why Equifax wouldn't accept the evidence he'd provided.

Towards the end of 2021, this service sent Equifax further evidence of Mr I's identity. Equifax asked whether Mr I knew the third party. Mr I confirmed that he did and in February 2022, Equifax raised a dispute with the business that created the alias link.

A second investigator recommended that Mr I's complaint be upheld. He thought that as soon as Mr I provided his driving licence in October 2020, it was clear there'd been a mistake as the third party had a different surname and date of birth. The investigator thought that Equifax should've taken steps to correct the information on Mr I's credit file. As Mr I first raised his concerns in March 2020, the investigator thought Equifax should pay him £200 to apologise.

Equifax disagrees with the investigator's recommendation. It doesn't think it was clear that the third party was not Mr I. Equifax says that it wrote to Mr I in August 2020 asking him to provide certain documents and that he only supplied his driver's licence. Equifax wanted to see identification documents that pre-dated 2018.

Equifax points out that after this service opened Mr I's complaint in September 2020, it didn't hear anything further until August 2021. After Mr I submitted further documentation, Equifax raised the dispute with the business. So, Equifax doesn't agree that it's made any mistake.

Equifax also points out that Mr I successfully applied for a mobile phone account in late 2021 which demonstrates that the third party information on his credit report hasn't negatively impacted his ability to secure credit.

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.

It seems the third party data ended up on Mr I's credit file because a business created an alias link between Mr I and the third party. An alias is a record of a name that someone has used or been known by in the past. On its website, Equifax explains that it will only be able to remove the alias record if there's no information in the person's alias name.

Equifax says that based on Mr I's driving licence alone, it wasn't clear that the alias didn't belong to him. However, I tend to agree with the investigator that once Mr I provided his driving licence, Equifax had enough information to at least raise a query with the business that had created the link. Instead it took until the end of 2021 – some 18 months later – for Equifax to raise a dispute on Mr I's behalf.

Once Mr I, through this service, supplied a copy of his passport and national ID card, it still took Equifax a further two months to confirm that it had raised a dispute with the business. And as at early 2022, Equifax said it hadn't heard back from the business – leading to further delays in the removal of the third party data.

At the end of the day, Mr I - through no fault of his own – has had someone else's data on his credit file since at least 2020. Although Mr I appears to have made successful credit applications in the meantime, it's fair for him to have been concerned about the impact the data has had on his credit file for an extended period. In the circumstances, I agree it's reasonable for Equifax to pay Mr I £200 as suggested by the investigator.

Putting things right

Equifax Limited should pay Mr I £200.

My final decision

My decision is that I uphold this complaint. To put things right, I require Equifax Limited to pay Mr I £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 22 August 2022.

Gemma Bowen
Ombudsman