

The complaint

Mr S has complained about the way in which Equifax Limited are reporting information on his credit file.

What happened

Both sides are most familiar with the case, so I'll summarise things in brief.

In late 2021, Mr S complained to Equifax that they were reporting the wrong flat and dates for his electoral roll data. Equifax corrected the dates and flat, but recorded Mr S's address in a format which left out certain words like "flat". They explained they had to record it that way because the address Mr S's local authority had provided did not match Royal Mail records for valid addresses. They offered him £200 compensation for the previous error.

Mr S complained about the new address format missing out certain words. He says this caused him to be unable to increase his credit card limit. He also says Equifax are recording the balance for his current account incorrectly, and he complained about his online dashboard saying he had missed payments when he hadn't missed any.

Our investigator looked into things independently and didn't uphold the complaint. Mr S didn't agree, so the complaint was passed to me to decide.

I sent Mr S and Equifax a provisional decision on 1 June 2022, to explain why I thought the complaint should be upheld in part. In that decision, I said:

Both sides accept that Equifax were initially recording the wrong flat and electoral roll dates for Mr S. I'm glad to see that they acted quickly to record the correct flat and dates once Mr S told them things were wrong.

However, the address format that Equifax then used, where words like "flat" were missing, does not seem to have been quite right either. I appreciate their arguments about valid address formats. But that format matched neither the Royal Mail database nor what Mr S's local authority were reporting. So I don't think it resolved things.

Equifax have now offered to use an address format of Flat [flat number] [street number], [street name]. This seems to be a valid format that should work with the Royal Mail's database and match up the local authority's electoral roll data with Mr S's lenders' data. So I think it's a good way to resolve this issue.

I appreciate that Mr S would ideally like his address displayed in a longer format with both the floor and flat number, which Equifax were previously able to produce an example report with. But ultimately, that format was not valid, so Equifax were not able to keep his address in that format.

I also appreciate that Mr S would like the street number and street name to be on the same line. But that's simply not how Equifax records the address – they have the street name on a separate line. This is a valid way to display the address and should not cause any issues. Mr S will note that even in the long-form address format he ideally wanted, the street number and street name were still on different lines.

So I think Equifax's latest offer to adjust Mr S's address is a fair way to resolve that issue.

I do appreciate that trying to fix this has been a real inconvenience for Mr S, not least as it's been ongoing for some months. When a business gets things wrong, we often tell them to pay compensation – to acknowledge their mistake and the impact it had.

In terms of the impact here, I understand Mr S feels that the address issue prevented him from increasing his credit card's limit. But looking at the search data, his credit card provider did not check his Equifax file at the time. So his Equifax credit file would not have affected the application for a limit increase – the credit card provider didn't look at Equifax.

In terms of the amount of compensation, it's also worth bearing in mind that we're not here to fine or punish businesses. We have guidelines about what levels of compensation to award, and I need to be consistent with those. Taking everything into account, I think £300 compensation would be fair to account for the delays in getting the address issue sorted.

Mr S also complains that Equifax are reporting the wrong balance on his current account. It's showing as 0, when he says he keeps large sums of money in there. I can understand where this misconception has come from. But to explain, one's savings or positive current account balances are not displayed on one's credit file. The current account entry only shows the balance of the overdraft – i.e. how much debt one is in. Since Mr S is not using his overdraft, it correctly shows the balance as 0. Mr S will note that the other credit reference agencies are also correctly reporting his current account balance as 0, as he's in 0 debt there.

Lastly, I appreciate Mr S is unhappy that his online dashboard is saying he has missed payments. That's just an error with the customer-facing website, and only Mr S sees his dashboard. His prospective lenders do not see the dashboard. When a financial business checks his credit file, they only see the raw data, which correctly shows he has no missed payments. I hope I can reassure Mr S that the dashboard display error will not affect him in any substantial way.

I said I'd consider anything else anyone wanted to give me – so long as I received it by 15 June 2022. Mr S didn't add anything further. Equifax accepted the findings and said they would update Mr S's address to the proposed format if he confirms he wants them to.

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.

Neither side have sent me any new evidence or arguments. So having reconsidered the case, I've come to the same conclusion as before, and for the same reasons as set out in my provisional decision above.

Putting things right

I direct Equifax Limited to:

- Adjust Mr S's address to the new format of Flat [flat number] [street number], [street name], should he consent to them doing so; and-
- Pay Mr S £300 compensation in total.

My final decision

I uphold Mr S's complaint in part, and direct Equifax Limited to put things right in the way I set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 July 2022.

Adam Charles
Ombudsman