

The complaint

Mr H complains that Equifax Limited have incorrectly recorded searches. And that this has had an adverse effect on his credit file.

What happened

Mr H said he saw his credit score had dropped from around 500 to around 400, and that there were several hard searches incorrectly showing on his credit file. Mr H said having more than three searches would have a negative impact and he could see there were five searches showing. He said he'd made two orders with the information provider; one had been cancelled and another had been made in February 2021. Mr H said he was told by the information provider that the second order wouldn't generate a search as it was made within 12 months. And that the searches had been removed. But Mr H said they were still showing on his credit file. He complained to Equifax.

Equifax said they weren't the owner of the data; they were reliant on the business that provided the information. But they could look to dispute the information they were given for Mr H. Equifax said they'd disputed the information with the business, and it had been confirmed the information was correct and should remain. They'd also disputed a later search recorded in February 2021 and after it was shown that one of the searches was a duplicate, they'd removed it.

Mr H wasn't happy with their response, he said he was being passed between Equifax and the information provider. He referred his complaint to us.

Our investigator said Equifax had recorded the information they'd received. And had disputed the information when it was challenged by Mr H. He didn't ask them to do anything further.

Mr H didn't accept this and asked for his complaint to be referred to an ombudsman to decide.

I issued a provisional decision in

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.

Credit reference agencies (CRA) such as Equifax don't provide but store the information, its lenders and other account providers that tell them what to record. But it's important that credit files are an accurate record of a financial history. This is because other lenders or account providers may rely on that information when making credit decisions. If something is wrong on the credit file it's not for the CRA such as Equifax to amend the credit information its for the lender or account provider who gave the information to correct.

I think its worth noting the information displayed on a credit file is not in real time – it's usually, but not always updated monthly. This means the information reflected can

sometimes be out of date – but that doesn't mean Equifax has done something wrong, as it's the responsibility of the lender or account provider that owns the information to make sure it is updated regularly.

While Equifax doesn't own the information, and so doesn't have the power to edit it. They can, and should, raise a dispute to the information owners, if the subject of the data – in this case Mr H raises a dispute about the information held.

*And Mr H did raise a dispute in January 2021 saying he wanted to remove the searches recorded for 28 November 2020 and 11 December 2020, he said only one of these searches should have been noted. And later for two searches showing for 22 February 2021. Equifax has shown us that they raised three disputes for Mr H, *9793, *9812 and *0103 for these searches with the information provider.*

*In January 2021, Equifax records show they immediately raised the disputes for the searches done in November and December 2020 under the references *9793, and *9812. I can see Equifax informed Mr H of the timeframe for a response to his disputes. And that while his dispute was being investigated, they'd add a note to his credit report so that any organisations looking at it were aware that the information was under dispute.*

The information provider responded to both disputes the same day to Equifax. They said that they'd received two different applications on two different dates, 28 November 2020 and 11 December 2020 with Mr H's details, and that the information recorded was correct and should remain. Equifax updated Mr H and advised him to contact the information provider if he disputed what they'd said. So, I can't say Equifax did anything wrong.

*I can see in March 2021 Mr H again contacted Equifax about duplicate searches but not just about the previous dates, he also disputed a credit search dated 22 February 2021. Equifax has shown they set up complaint cases, reference *1780 and *6576 to look into Mr H's concerns. But I can't see that they raised a dispute about the search dated 22 February 2021 at this time. In their responses to Mr H they refer to the previous disputed searches outlined above.*

*It wasn't until June 2021 that Equifax disputed the credit search 22 February 2021 with the information provider under reference *0103. The information provider confirmed that there was a duplicate search made for this date and gave authority to Equifax to remove it. The other search on the same day was for an active account and the information provider said this should remain.*

While I'm satisfied that Equifax has reported information which has been provided by the business for 28 November 2020 and 11 December 2020, and that the information provider had confirmed the accuracy of the information, so Equifax couldn't remove it. I don't think Equifax acted fairly and reasonably with Mr H when he questioned the credit searches made in February 2021. They didn't raise a dispute in March 2021 when they should have done. And it wasn't until June 2021 after Mr H again disputed the information held that Equifax raised the dispute and was given authority to remove one of the searches.

I think Equifax by not seeking correction for Mr H's credit file in March 2021 caused him additional trouble and upset for several more months. I can understand the frustration Mr H must have felt in trying to get the right action taken. So, for this I intend to ask Equifax to pay Mr H £75.

Responses to my provisional decision

Neither party asked for any further representations to be considered.

My final decision

I uphold this complaint. And ask Equifax Limited to pay Mr H £75 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 August 2022.

Anne Scarr
Ombudsman