

## **The complaint**

Mr G complains that Transunion International UK Limited (Transunion) failed to correctly update his credit report with his electoral register information, causing him to miss out on lower interest rate credit deals.

## **What happened**

In December 2020, Mr G moved from his previous address (address A) to his current address (address B). The two addresses were controlled by different local authority councils which for the purposes of this decision I'll refer to as A and B respectively.

During 2021 Mr G says he made credit applications he was turned down for. Upon speaking to his bank, he became aware his credit score was low. He checked this with Transunion and another credit reference agency (CRA), his Transunion score was considerably lower, and he noticed they were reporting incorrect electoral register information for him.

Mr G contacted Transunion about this in December 2021, they told him the local authorities were responsible for providing them with information about the electoral register. And in his case Council A had removed him from address A in their records in March 2021, but Council B had not added him to their records at address B until December 2021.

Mr G made attempts to dispute this and complained to Transunion but had trouble getting a response from them. He wrote to the executives of the business both here and in the USA to prompt a response. Eventually one of these emails was passed to the customer relations team, who responded to Mr G. Included in Mr G's complaint was the recording of an incorrect missed payment showing on his credit file, and Transunion's lack of communication.

In their response Transunion offered Mr G £50 for poor service in relation to communication on the phone. They confirmed they had updated the incorrect missed payment. And said the electoral register information had been updated and was correct. They maintained they hadn't made a mistake with Mr G's information regarding this and had displayed it as reported by Council B.

Mr G was unhappy with this response and so brought his complaint to this service, at that time the issue of the missed payment had been resolved. Our investigator thought it was one that should be upheld, in summary they said:

- Council B had provided evidence to show that Mr G's electoral register information was updated to him living at address B from 1 April 2021, and that Transunion had access to that information (this evidence was shared with Transunion). So Transunion should have updated the record from that time.
- Mr G brought the error to their attention in December 2021 and spent a considerable amount of time chasing them and trying to sort the issue out. It's clear the information was accessible to Transunion and so they should have

rectified the mistake much sooner than they did.

- Mr G says he was declined for credit agreements during this time and was stuck with high APR rates for his credit cards, but this wasn't Transunion's responsibility as individual lenders have their own decision-making process, and don't rely solely on credit reports when making the decisions.
- The investigator recommended Transunion paid Mr G £125 to reflect the distress and inconvenience the matter had caused, in addition to the £50 they had already offered.

Mr G responded saying he felt the compensation was low given the distress the issue had caused. And reiterated that his credit score with other CRAs was considerably higher and so he felt this was the sole reason for him been declined credit.

Transunion responded disagreeing with the investigator's findings, saying they hadn't made an error. Since this the investigator has tried to communicate with Transunion on multiple occasions, to understand their reasoning given the evidence provided by Council B, however they have stopped responding to him.

In the meantime, Mr G has been back in touch and said he would like the compensation increased to £2,000.

The matter has now been passed to me to decide.

### **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 realise that I've summarised this complaint in less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean that I've not considered everything that both parties have given to me. Having done so I will be upholding this complaint, I'll explain.

Before I do I think it would be helpful to set out what I can and can't do here. Providing a credit score is not a regulated activity, so isn't something I will be making a finding on. But I'd like to add some clarity around how it works for Mr G. The score itself is based on an algorithm using the data on the credit file, each credit reference agency has its own algorithm based on the criteria it thinks is important. Mr G's credit score will only be visible to him, it's a general indication which helps customers get a simple view of how their credit file might be perceived in a number format. However individual lenders cannot see this number, but they can see the data that showing on the credit file. They will have their own internal lending criteria which they base their lending decisions on, sometimes they also refer to this as a credit score – but it is their internal "number" not the number displayed to Mr G on his credit file.

I appreciate Mr G feels that it's the Transunion credit score that prevented him from being able to obtain credit to consolidate his credit cards or move them to lower interest rate borrowing. As explained above, lenders set their own criteria for lending based on numerous factors, and they have access to the data across CRAs to make their decisions. So, in order

for me to be able to hold Transunion responsible for Mr G being turned down for credit,

I'd have to be satisfied the incorrect electoral register information was the sole reason the lenders declined the borrowing. I haven't seen any evidence that suggests this is the case. And although I accept the electoral register information may have been a factor, I can't say it's the sole reason.

Mr G has provided evidence from Council B showing the electoral register information was available to Transunion from 1 April 2021. Council B has confirmed directly with this service that information was available, and this has all been provided to Transunion. Based on this and the fact that other CRA's held the correct information for Mr G, I'm satisfied Transunion should have updated Mr G's credit file with the correct electoral register information in April 2021. They didn't update this information until February 2022, after two months of Mr G emailing and chasing them to do so. So, I cannot agree Transunion didn't make a mistake here.

Mr G has told us this caused him a great deal of worry and stress. In addition to this I can see from the email chains provided by both him and Transunion that he went to a great deal of effort to have this matter resolved, when Transunion had the information to do this all along so should have resolved matters for him much quicker than they did.

I understand Mr G's strength of feeling about Transunion's error and the compensation he feels he is due. But I'm only considering compensation here for the distress and inconvenience Mr G experienced from December 2021 until February 2022, when dealing with the error. I say this because although Transunion's error dates back to April 2021 Mr G only became aware of it, and so was worried about it from December 2021. Transunion have already offered Mr G £50 for this, but I don't think this goes far enough. It's clear Transunion didn't help Mr G in the way they should have when he raised the issue in December 2021. They didn't respond to him when he emailed and communication was poor, resulting in him having to email numerous people throughout the business in order to get a response. This is not the level of service I would have expected him to be provided, and so I will be instructing Transunion to increase this offer to £175 in total.

### **Putting things right**

Transunion should pay Mister G £175 for the distress and inconvenience they have caused. This is inclusive of the £50 offer they have already made.

### **My final decision**

For the reasons set out above, my final decision is that I uphold Mr G's complaint about Transunion International UK Limited. I now require them to put things right as described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 October 2022.

Amber Mortimer  
**Ombudsman**