

## **The complaint**

Ms B complains that Transunion International UK Limited (Transunion) was displaying incorrect information on her credit file and they failed to act on it when she notified them.

## **What happened**

Ms B was a guarantor for a loan her son took out with a company I'll call B for the purposes of this decision. Her son unfortunately lost his job and was unable to make payments, so a three-month payment holiday was agreed. At the end of that payment holiday her son was still unable to make payments and B refused a further payment holiday and began reporting late payments on Ms B's credit file.

Ms B later settled the arrears on the loan for her son and he resumed payments. Around the same time, she became aware that B had reported late payments on to her credit file as well as an association with her son. She says complained to B about this and they agreed to remove the information from her credit file.

When checking her Transunion credit file she noticed the late payment information was still showing as was the association with her son. She also noticed that her electoral roll information was recorded incorrectly. She contacted Transunion about these issues via an online complaints platform, in April 2021. She provided proof of her electoral roll registration in the form of a polling card.

At the end of April 2021, Transunion responded to her saying there was no information showing on her credit file relating to B. They didn't reply to her about the electoral register issue until November 2021. When they told her they do not accept polling cards as proof of electoral roll registration as these do not confirm the dates she was entered onto the register. They said they would require a letter or email from the local council confirming the dates that she had lived at her address. They never responded to her dispute about the association with her son.

Ms B wasn't satisfied with Transunion's response and so brought her complaint to us. She told us that she had a mortgage application declined and felt the information contained on her Transunion credit file might be to blame for this. Our investigator thought her complaint was one that should be upheld in part, in summary he said:

- It was likely that by the time Ms B had raised her complaint with Transunion, B had already corrected the reporting of the missed payments, so they had disappeared from her credit file.
- Transunion missed that an association with her son, reported by B was present on her credit file and it should have disputed this information with them as Ms B had asked them to. And compensation should be paid for this.
- It wasn't unreasonable for Transunion not to accept polling card as proof of entry on the electoral register. Nor is it unreasonable for them to ask for a letter or email from the local authority confirming the dates she had lived at her address. While her complaint had been with this service Ms B had been able to provide

Transunion with the proof it needed to update her electoral roll information. But this still appeared to be showing with the wrong dates on her credit file. So Transunion should check their details it was displaying to make sure it matched the evidence she had provided.

- Transunion wasn't responsible for Ms B's declined mortgage application as at the time the only information that was incorrect on her credit file was the association to her son, which is unlikely to have been the sole reason for her being declined credit.
- Transunion should pay Ms B £150 for not dealing with the dispute about the association to her son. As she had hoped to raise the matter a number of times and even after highlighting it with our service the information is still showing. Transunion should now dispute this association with B and if B agrees they should remove it straightaway.

Transunion replied disagreeing with the investigator's findings, they said they had not been able to locate any dispute requests from Ms B and so they had not made any mistakes. There were various emails between the investigator and Transunion following his findings, he provided evidence including the file from the online complaints platform where Ms B raised the association with her son as an issue in April 2021. Under the heading "what I want" Ms B had said:

*"remove any and all information in relation to bamboo loans, late payments, arrangements to pay, and credit associations with my son (...) from my credit report."*

Transunion remained of the opinion they had done nothing wrong and asked for an ombudsman's decision.

At the beginning of September this year Ms B contacted us to say the association was still showing on her credit file. The investigator passed this information to Transunion asking them to act on this as they had still not done so. Transunion confirmed on 23 September 2022, the association to Ms B's son had now been removed from her credit file. But they are still of the opinion they have done nothing wrong. So, the matter has 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.

As all of the issues on Ms B's credit file are now resolved, all that's left for me to consider in this decision is if compensation is due to Miss B. And I think it is, I'll explain why.

Ms B felt the errors on her credit file had been the cause of her declined mortgage application, as well as other credit. However, I don't think that is likely to be the case as she has provided evidence from her mortgage provider which clearly states:

*"The application has been declined as it has failed credit score. This is not necessarily due to adverse bureau information."*

All lenders have their own lending criteria, part of which is information provided by credit reference agencies such as Transunion. But can also include things like income, affordability, the amount of other credit held by the consumer and how they use that credit. While it can be confusing most lenders also refer to their lending criteria as a credit score and in this case, I think that's what it's referring to here. And as it goes on to say this is not necessarily due to adverse information. I think it's reasonable to say Transunion isn't responsible for the application been declined. So, I don't think compensation is due for this.

It's clear in what Ms B said in April 2021 when she contacted Transunion via the online complaints platform, that she wanted the association with her son removed from her credit file. Transunion had an opportunity, at that time, to look into this and respond to Ms B, they didn't.

When Mr B raised her complaint with this service in June 2021, Transunion had an opportunity to look into the association, raised the dispute and deal with it. They didn't.

When the investigator issued his findings in July 2022, he asked Transunion to deal with the association dispute, and they said they could find no dispute. They said a complaint is different to a dispute. But it's not for a consumer to know how to word what they want from a business. By sheer virtue of the fact that Miss B asked for this association to be removed, I think it's enough for Transunion to have realised this information needed to be disputed. Even at this point they did not raise the dispute. It was only when the investigator asked for this to be done when he contacted them chasing in September 2022, did they action the dispute.

So, even though they knew this was the cause of much frustration to Ms B they didn't deal with the dispute for 17 months. Because of this I think it's reasonable that they should pay Miss B £150 for the upset and inconvenience they have caused.

### **Putting things right**

Transunion should now pay Ms B £150 for the upset and inconvenience their delays in dealing with her dispute of caused.

### **My final decision**

For the reasons set out above, my final decision is that I uphold Ms B's complaint against Transunion International UK Limited. And now require it to put things right as described above.

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

Amber Mortimer  
**Ombudsman**