

## **The complaint**

Mr A is unhappy Transunion International UK Limited recorded incorrect information about a loan on his credit file.

## **What happened**

Mr A says in September 2019, he took out a loan with a bank I'll refer to as "B". Mr A says he checked his credit report through a website where credit information is provided by Transunion. When doing so, Mr A noticed information about his loan with B was incorrect – the original borrowed amount was exactly the same as the current outstanding amount despite him having made his repayments to the loan for close to two years.

Mr A says he complained about this to Transunion in July 2021 and in his complaint, Mr A was able to demonstrate the data for his loan with B was incorrect. Mr A says this issue is impacting his credit score as it's showing he has 100% of his loan with B left to repay which is impacting his creditworthiness. Mr A wants Transunion to update the original borrowed amount for the loan with B on his credit file to the correct amount which was £3,647.

Transunion issued Mr A with a final response letter and explained it is the data provider, B in this case, that is responsible for the status of an account and not Transunion. So Transunion said they were unable to remove data from Mr A's credit report without B's permission.

Unhappy with Transunion's response, Mr A brought his complaint to our service. Our Investigator looked into Mr A's concerns. In summary, he said the original loan amount was sent to Transunion by B when they raised a dispute on Mr A's behalf. Our Investigator concluded there were missed opportunities by Transunion to update the original balance of the loan and so, he asked them to update Mr A's loan amount to show he originally borrowed £3,647. Given the time it took to resolve things for Mr A, our Investigator recommended Transunion pay Mr A £200 for the inconvenience caused.

Mr A agreed. However, Transunion didn't. They said B didn't respond to one of the disputes Transunion raised with them about the incorrect information. Our Investigator responded and provided a copy of B's response to the two disputes Transunion had raised with them confirming the original borrowed amount. Our Investigator explained even though Transunion didn't receive a response to one of the disputes they raised with B, there was evidence to show they had received a response from B on other occasions but Transunion still didn't update the original loan amount on Mr A's credit file. So, our Investigator's opinion remained the same.

Transunion still disagreed and reiterated that they rely on information provided to them by data suppliers and must rely on them to answer disputes. But that they didn't receive such answers from B in Mr A's complaint. So, the complaint 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 understand in the usual course of things, Transunion isn't typically able to amend or remove information from a customer's credit file without the authorisation of the original data supplier. Once Transunion receive a query disputing information on a credit file from their customer, Transunion would usually then raise the disputed matter with the data supplier. However, Transunion explained if the data supplier doesn't respond to the queries they've raised, the disputed information is suppressed so that it no longer appears on the customer's credit file.

Mr A has explained the original borrowed amount of the loan is showing incorrectly on his credit file as it's showing the current outstanding amount he has left to repay. Mr A has provided us, as well as Transunion, a screenshot of how it's appearing on his credit file. I can see that both the original borrowed amount and the outstanding amount are the same which means incorrect information is being displayed – the exact opposite of what credit reference agencies (CRA's) like Transunion are supposed to do.

B have provided us with information to show Transunion raised disputes with them about the 'credit limit of the loan' in September 2020 and May 2021. Replies were sent in response to these disputes in September 2020 and again in June 2021 – both confirming Mr A borrowed a total of £3,647.

Transunion say they didn't receive a response from B to the query they raised in May 2021. But I've got no reason to believe the replies B have evidenced weren't sent to Transunion in response to the two disputes they raised. Additionally, the evidence Transunion have provided shows that on 14 June 2021, a note was made on Mr A's file to say B hadn't responded as it was 28 days since they raised a dispute with B. While I appreciate this may have been the case, the information B have provided us with shows they replied to Transunion's May 2021 dispute query on 15 June 2021 – and again, in this reply it was confirmed Mr A borrowed £3,647. It's unclear to me why Transunion have said they didn't receive the replies from B. But, based on what I can see they were sent so, on balance, I think it's likely Transunion received them.

While I understand it's not typically Transunion's role to update information on a customer's credit file without the data supplier's authorisation, I think Transunion could have done something different on this occasion. I say this because Mr A told Transunion what the starting balance of the loan was and the evidence from B shows they replied to Transunion's disputes confirming the original borrowed amount (albeit I acknowledge they don't tell Transunion to update this information for their loan with Mr A).

Taking a step back and looking at what's fair and reasonable here, Transunion have the ability to amend the starting balance of the loan with B to something they know to be correct and that isn't in dispute by neither Mr A nor B. The fact that Transunion haven't done that on this occasion doesn't seem fair to me – they were given the right original borrowed amount and had this been updated, it would have resolved the dispute in addition to having accurate information being reported. So, with all this in mind, I think Transunion should update the starting balance of the loan with B to reflect what Mr A and B have confirmed – which is £3,647. And I also ask that Transunion ensure this amount remains visible on Mr A's file for his loan with B.

Mr A has set out how this wrong information has impacted his credit file as it's showing he has more of B's loan to repay than he actually does on his credit file summary page. This issue is also impacting other displays on his credit file such as the overall total borrowing Mr A has. I can see Mr A set out these concerns to Transunion in June and again in October 2021 - Transunion provided a response to these concerns explaining they were unable to

remove data from Mr A's credit report without the permission of the data supplier. But I think it's fair to suggest Mr A wasn't asking for information to be removed. Overall, it's clear Mr A has been inconvenienced by this issue and it's caused Mr A concern and worry over a long period of time. As a result, I agree with our Investigator that Transunion should pay Mr A £200 compensation.

### **Putting things right**

To summarise, Transunion should:

- Update Mr A's loan with B to show the original borrowed amount / starting balance of the loan to be £3,647.
- Pay Mr A £200 compensation.

### **My final decision**

For reasons explained above, I uphold this complaint and I require Transunion International UK Limited to carry out the actions as set out under the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 30 December 2022.

Leanne McEvoy  
**Ombudsman**