

The complaint

Ms E complains that she wasn't recorded on the electoral roll with Experian Limited and was declined for a credit card as a result.

What happened

In 2021, Ms E moved home and has told us she updated her details with the local authority. Ms E went on to apply for a credit card with a business I'll refer to as J. Ms E's explained that J declined her credit card application and referred her to Experian to check her credit file.

Ms E obtained a statutory credit report that was posted to her. Ms E's explained that the credit report didn't show up to date information about her current address or that she was registered on the electoral roll. Ms E's explained she wrote to Experian confirming she was registered to vote and asked it to update her records. Ms E also sent a letter from her local authority that confirmed she was registered on the electoral roll at her new address. But when Experian responded it said it was unable to amend Ms E's records until the council completes an update.

Ms E tried to raise a complaint but Experian said she needed to provide information to verify her identity before it could respond. Ms E's explained she tried to raise the complaint over the phone but Experian was only willing to speak with paying customers. Experian ultimately issued a final response that advised Ms E hadn't completed the verification process which meant it was unable to proceed.

Ms E referred her complaint to this service and it was passed to an investigator. We subsequently asked Experian to use the details Ms E had provided in the complaint form to complete its verification process and issue a final response that covered the specifics of Ms E's complaint.

Experian issued a final response in December 2022. Experian said the information on Ms E's credit report is provided by third party organisations and that electoral roll information is provided by the local authority. Experian advised that any missing information, like electoral roll registration, would need to be updated by the relevant organisation. And Experian said electoral roll data is updated by councils as part of an annual canvas. Experian advised Ms E's local authority had updated its records and confirmed she was on the electoral roll. Experian didn't agree that its actions had led to Ms E's credit card application with J being declined.

An investigator at this service looked at Ms E's complaint. He was satisfied Experian had correctly confirmed the process of updating electoral roll details and that it was unable to make any changes solely on the basis of Ms E's requests. The investigator didn't think errors by Experian had led to Ms E's credit card application with J being declined. In addition, the investigator didn't think Experian had acted unfairly by asking Ms E to verify her details before responding to her complaint.

Ms E asked to appeal and said she didn't agree with the approach Experian had taken to verifying her identity. Ms E also provided information from the Information Commissioner's

Office (ICO) that she felt showed Experian was responsible for the information recorded on her credit file. Ms E said she felt Experian had failed to follow the rules when she tried to register a complaint. Ms E also sent us an email from J that advised her credit card application had been declined due to a discrepancy with her address recorded with the credit reference agencies. As Ms E asked to appeal her complaint has been passed to me to make a decision.

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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

All parties agree that when Ms E moved her electoral roll information wasn't immediately updated by the local authority. As a result, when Ms E applied for the credit card with J it found a discrepancy with her address details on the credit report. Ms E's told us she sent Experian a letter from her local authority that confirmed she'd moved and was on the electoral roll at her new address. But Experian's explained that local authorities update electoral information directly via an *annual canvas*. Experian says the annual canvas is completed by councils between December and January each year and, during that period, electoral roll details aren't updated each month by the council. And Experian's confirmed that the local authority updated Ms E's electoral roll information on 4 January 2022. From that point, Ms E has shown as being registered on the electoral roll.

I understand Ms E had a letter from her council that confirmed her electoral roll registration. But the process of updating a credit file isn't straight forward. And Experian has confirmed that it can only update a credit file when the relevant local authority updates its records directly via the system. I appreciate that may have led a delay to the electoral roll information being updated, but I'm not persuaded that was caused by Experian's actions. I'm satisfied that Experian would have amended Ms E's credit file sooner if the local authority had updated Ms E's electoral roll details earlier.

In response to the investigator Ms E forwarded ICO guidance concerning errors on a credit file. The guidance says a credit reference agency is responsible for information generated including linked addresses. I've read the guidance in full and it also says:

If your credit file is inaccurate, you can raise your complaints with the relevant CRA you obtained your file from. However, the problem may lie with the original lender or organisation that supplied the CRA with the information so you will need to contact them instead.

The information Ms E has forwarded specifically relates to linked addresses. But I've quoted the section that deals with inaccurate information. And that says if the problem lies with the reporting organisation it would need to be taken up directly. I understand Ms E feels Experian should've either updated her electoral roll information on her request or a letter from her local authority. But I haven't been persuaded it was unreasonable for Experian to require the update to come directly from the organisation that reports electoral roll registration – the local authority. I'm sorry to disappoint Ms E but I haven't been persuaded

Experian has treated her unfairly or made errors in terms of the information recorded on her credit file.

The credit card application with J was declined and Ms E has provided correspondence that her address details form part of the decision. But, as I've noted above, Ms E's electoral information hadn't been updated by her local authority when she applied to J. And that was the reason why she wasn't recorded on the electoral roll. I've read the link Ms E has highlighted the Small and Medium Sized Business (Credit Information) Regulations 2015 and says information supplied by the credit reference agency is for the purpose of the finance provider to decide whether to offer credit. I note the regulations Ms E has highlighted apply to businesses, not consumers. But I take Ms E's point that the information provided by a credit reference agency should be accurate so a lender can make an informed decision about whether to proceed.

Whilst I accept Experian is obliged to provide accurate and up to date information, the overall decision concerning whether to proceed lies with the credit provider. It's the lender that sets its criteria and ultimately decides the basis on which it will approve an application. As I've said above, I'm satisfied the information Experian was reporting was in line with the information it was receiving from Ms E's local authority at the time. And I'm satisfied that when the electoral roll information was confirmed on 4 January 2022 Experian updated Ms E's credit file to reflect that.

Ms E has told us she experienced problems raising a complaint with Experian as it doesn't offer a telephone service for consumer's who are customers with active subscriptions. Ms E has also explained she found the process of verifying her identity unreasonable. Ms E has forwarded ICO guidance concerning how organisations verify someone's identity. The guidance says organisations should request reasonable and proportionate information from a consumer to verify their identity. Experian requested Ms E's personal details including her full name, date of birth, address, credit report reference number and email address. I'm sorry to disappoint Ms E but I'm satisfied the details Experian requested to verify her identity before responding to her complaint were proportionate and reasonable.

Ms E also told us she was unable to raise a complaint over the phone and had to do so in writing. Ms E has highlighted a section of the Dispute Resolution Rules (DISP) that are issued by the Financial Conduct Authority. DISP sets out how a business should deal with a complaint. And DISP 1.3.2 says businesses should allow complaints to be made by any reasonable means. I agree with Ms E that it would've been more straight forward if she could've complained over the phone. But even if she had, Experian would still have requested information from her to verify her identity, as it did when she complained in writing. And it appears to me that the delay in issuing a full final response related to the verification process for Ms E's identity, not because she was unable to complain over the phone.

I should also explain that DISP only allows the Financial Ombudsman Service to consider certain complaints. In this case we can consider Ms E's complaint about the information recorded on her credit file as that issue is covered under DISP. But, complaint handling isn't a regulated activity and isn't noted as an activity the Financial Ombudsman Service is able to consider a complaint about in its own right. So whilst I understand Ms E has concerns over the way Experian received and dealt with her complaint, our rules don't allow me to consider the merits of those issues.

I'm very sorry to disappoint Ms E but I'm not telling Experian to take any further action to resolve her complaint.

My final decision

My decision is that I don't uphold Ms E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E to accept or reject my decision before 17 May 2023.

Marco Manente
Ombudsman