

The complaint

Mr M complains that TRANSUNION INTERNATIONAL UK LIMITED (Transunion) have been reporting incorrect information on his credit file for the last six years.

What happened

I previously issued my provisional decision on this case. I intended to come to a different outcome to the Investigator, and because of this I wanted to give both parties the chance to respond with anything else they wanted me to consider before I came to my final decision on the matter.

I have copied my provisional decision below, which also forms part of this final decision:

“Mr M says that he went to apply for two separate loans and he was told by these lenders that it would be unlikely he would be accepted for the loans due to information on his credit file.

As a result of this, Mr M requested a copy of his credit report and found that Transunion had linked other names and addresses to his credit file. He says this meant that they were reporting negative information on his credit file that didn't relate to him.

Mr M complained to Transunion, who agreed this had happened due to a matching error with their system. Mr M says it took Transunion around four months to put the information right. And he is still now having credit searches applied to his credit file that don't relate to him.

Transunion asked Mr M to provide evidence of any losses he had incurred as a result of the information being reported on his credit file. But Mr M hasn't done this.

Mr M complained to the Information Commissioners Office (ICO) about the data being reported about him. The ICO upheld Mr M's complaint – and said they would get in touch with TransUnion.

Our Investigator requested evidence from Transunion on a number of occasions however it didn't provide this. The Investigator then upheld Mr M's complaint and awarded £100 compensation.

Transunion agreed to pay the £100, however, Mr M didn't think this was enough – especially given that the issue hadn't yet been resolved and there was still information that didn't relate to him being reported on his credit file.

Transunion said that the most recent search, that Mr M referred to wasn't its fault and this was down to how the data provider was recording the information. And so, Mr M should get in touch with the data provider.

Because Mr M didn't agree, the complaint has been passed to me to make a decision on the matter.

What I've provisionally 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.

Having considered everything, it is my intention to uphold this complaint.

It's disappointing to see that despite numerous requests to Transunion for their business file, they haven't to date sent us anything to help this service look at what happened and why it happened.

I note that Transunion has agreed the information being reported on Mr M's credit file was as a result of its systems incorrectly linking him to other people. It hasn't sent me evidence to persuade me that it has resolved the matter in a timely manner, nor has it sent me any evidence that persuades me the issue isn't ongoing.

Mr M says he's lost out by having to spend money obtaining credit reports. He's said he was told he wouldn't be accepted for a number of loans because of the incorrect information on his credit file. And he's spent considerable time trying to resolve the issue, that doesn't appear to have been resolved.

Given the lack of information from Transunion, it's difficult for me to be able to agree with it that the most recent issue with the credit search is down to something the data provider has done wrong – especially when I consider that the search that was completed is in the name of the alias Transunion said it had removed. I know Transunion has said that this is a new issue that it hasn't had the chance to investigate. But in my view, this currently appears to be a continuation of the same issue.

I accept it's possible that Mr M might have been declined for credit based on information on his credit file. But I also haven't seen enough persuasive evidence from Mr M to satisfy me that the only reason he was declined for credit was because of the information TransUnion was reporting about him.

I understand that Mr M would like £1,000 compensation for every year the incorrect information has been reported about him. I'm sorry to disappoint Mr M, but I won't be asking TransUnion to compensate this much. When deciding on a distress and inconvenience award I have taken into account the impact this has had on Mr M alongside our general approach to awards of this nature – more information about this can be found on our website.

To put things right for Mr M, I currently think Transunion should:

- Remove links with third parties from Mr M's credit file, including the most recent search*
- If the search isn't as a result of its error, then it needs to dispute this with the data provider*
- Pay Mr M £350 for distress and inconvenience."*

TransUnion didn't respond to the provisional decision by the deadline, so I've assumed it has nothing further to add.

Mr M responded and provided evidence of the alias currently showing on his credit file. He also said that when he applied for credit, he was told that he was unlikely to be accepted due information showing on his credit file.

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.

Having considered everything again, I will still be upholding Mr M's complaint, for the same reasons as outlined in my provisional decision.

I'd like to thank Mr M for providing the evidence he has done. I took this into account when coming to my provisional decision, and so my direction for Transunion to put things right by either removing the link with the third-party or disputing this with the data provider remains.

I have also taken into account Mr M's comments in relation to being previously declined for credit due to information showing on his credit file. I thought about this carefully, however, I haven't been provided with any evidence to support what Mr M has said. And so I'm not persuaded that the information showing on Mr M's credit file was the only reason he was declined for credit.

Putting things right

To put things right for Mr M, I order Transunion to:

- Remove links with third parties from Mr M's credit file, including the most recent Search; or
- If the search isn't as a result of its error, then it needs to dispute this with the data provider
- Pay Mr M £350 for distress and inconvenience

My final decision

For the reasons set out above, I uphold Mr M's complaint. I order TRANSUNION INTERNATIONAL UK LIMITED to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 October 2023.

Sophie Wilkinson
Ombudsman