

The complaint

Miss L complains that EQUIFAX LIMITED (Equifax) failed to properly remove incorrect information it was displaying on her credit file.

What happened

Miss L complained to Equifax around September 2022 when she realised her twin sister's data had been merged with her own and was being displayed on her credit file. She said this was impacting her credit score, which she felt was lower than it should have been.

As well as their date of births being the same, Miss L shares the same first and last name as her twin sister, they also share an address. They are differentiated by their middle names.

Equifax issued a Notice of Disassociation (NOD) to correct the matter in answer to the complaint. However, this didn't fully resolve the matter and so Miss L complained to it again in December 2022.

Equifax investigated and in February 2023, they issued a further NOD adding in some the variations both sisters use in their names. This resolved the matter in as far as Miss L's sister's accounts stopped appearing on her Equifax report. But Equifax were unable to stop Miss L's sister's electoral register (ER) information from showing on Miss L's credit file. It did explain to Miss L this wouldn't affect her credit rating as the ER is public information that lenders would be able to see regardless of if it showed on her file or not. But they offered to add a Notice of Correction (NOC) to her file so lenders could see the ER information was not Miss L's, which Miss L accepted. And they paid Miss L £200 for the inconvenience the matter had caused.

In April 2023 hard searches appeared on Miss L's credit file in her sister's name. As Equifax's hadn't resolved the issue fully Miss L brought her complaint to this service.

Our Investigator upheld Miss L's complaint and to put things right said Equifax should remove the hard searches that were appearing and pay Miss L a further £100. Equifax agreed with the investigators findings. Miss L didn't, she wanted reassurances that the issue wouldn't happen again. She also said she was still able to see her sister's accounts on a third-party credit information agency which is provided information by Equifax. She feels this shows that Equifax are still merging her's and her sister's financial data. She feels Equifax should be able to remove her sister's ER data from her credit file as it was able to remove her mother's ER data from her file previously. She also wanted reassurances that her credit score will rise once her credit record is 'clean'.

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.

There is no dispute between the parties about what has happened so I'm only looking at what needs to happen now to rectify the issue.

Miss L has questioned why her sister's ER data can't be removed from her file when her mother's was. The reason Equifax has given for this, and I accept, is although Miss L's mother also shares the same name, she has a different date of birth and so Equifax were able to add this to their systems to differentiate the parties. However, as Miss L and her sister share the same date of birth it is unable to apply the same approach.

As a work around Equifax applied a NOC to Miss L's file, which I think is a suitable remedy for this issue in the circumstances. But looking at the credit report dated 4 September 2023, the NOC seems to have dropped off and disappeared. So, Equifax need to find the reason for this and do whatever is needed to make sure it is visible on the credit file and stays so.

I understand how frustrating this has been for Miss L as each time she has thought it would be 'fixed' the issue has reoccurred. Equifax seem to have been able to remove Miss L's sisters accounts from the credit file it displays. But having seen a credit report from 4 September 2023, it appears her sister's hard searches are still being displayed on Miss L's report. So, Equifax need to ensure these are now removed and put in place a way of monitoring the issue and removing any future searches swiftly if the issue recurs in the future.

Miss L has said that she can still see her sisters accounts on the third-party credit information website. I accept that to be the case and although they are provided with information by Equifax, they are a separate business and so I can't hold Equifax responsible for the information being displayed by them, especially as I have seen that Equifax has removed this data from it's reports. So, Miss L will need to raise this as a separate issue with the third-party business. I know she has told us she has already tried this and been ignored but again their lack of response isn't something Equifax is responsible for, so I can't fairly ask them to do anything about this.

Miss L would like reassurances that the issues won't arise again, but unfortunately, I don't think this is something that anyone can give. Miss L has been advised by this service to make sure her and her sister continue to use their middle names when making financial applications to help mitigate the cause of the data merge. Other than that, all that I can suggest here is, should there be a reoccurrence Equifax should aim to deal with the issue swiftly, as it is well known to it.

Finally, Miss L would like to know if her credit score will increase as she feels it is unjustly low. Now in Miss L's case there are hard searches on her file that don't belong to her, and these should now be removed by Equifax. But I must point out to Miss L this doesn't automatically mean her score will go up. I say this because the credit score Equifax provides to Miss L is it's view of how lenders might see her based on the information it holds on her credit file. It's purpose is to give her an indication of her credit worthiness and there are many factors that contribute to the score and can affect it both positively and negatively. The score is calculated using an automated algorithm so isn't something that can be manually changed. Things that can, but don't always, have a negative impact vary but can include, not having had much credit in the past, address changes, limited number of accounts, regular applications for credit – displayed as hard searches.

The score isn't shared with lenders, only the information in the credit file is shared for lenders to make their own assessments. Lenders will often have their own internal scoring system, that they can sometimes refer to when declining applications, saying the application didn't meet the credit score criteria, or something similar. So, it might help Miss L to look at the score as Equifax's view rather than something which is set in stone. Ultimately, lenders will make their decisions based on the information contained in her credit report rather than the number of the score Equifax provides to her.

To summarise I'm upholding Miss L's complaint in part and think Equifax need to take some actions to make things right here, which I'll cover in the next section. And hopefully my explanations, on the areas where I'm not asking Equifax to take action, have helped Miss L in understanding those issues better.

Putting things right

To put things right now I require Equifax to:

- Remove all hard searches from Miss L's credit file that relate to her sister and remove any future searches swiftly should the issue recur.
- Make sure the NOC for ER data is visible on Miss L's credit file for lenders to see and ensure it stays so.
- Pay Miss L £100 for the delays in rectifying the issues.

My final decision

For the reasons set out above, I currently uphold this complaint and I require EQUIFAX 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 Miss L to accept or reject my decision before 13 January 2024.

Amber Mortimer
Ombudsman