

## **The complaint**

Ms M complains about being overcharged for a subscription by Experian Limited. Ms M also complains that she was unfairly declined for a bank account due to errors with her Experian credit file.

## **What happened**

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

*Last year, Ms M applied for a bank account with a business I'll refer to as H. As part of the application process, H completed a credit search and attempted to verify the personal details, like Ms M's address, provided. But the application was declined and H said Ms M wasn't recorded as being registered on the electoral roll. H recommended Ms M review her credit file.*

*Ms M signed up for a free trial with Experian but due to an error was charged a subscription fee.*

*Ms M went on to raise a complaint about the subscription charges incorrectly applied and being declined on the basis she wasn't recorded on the electoral roll.*

*Experian issued a final response and agreed Ms M had been incorrectly charged for her subscription and a refund was made. But Experian advised that Ms M's address, as recorded by her local authority for electoral roll registration purposes, differed to the one used by H when completing its credit search. As a result, Ms M's electoral roll registration wasn't found by H.*

*An investigator at this service asked Experian to pay Ms M £205 to reflect the incentive she would've received from H if her account application had been successful. Experian didn't agree and said the reason Ms M's electoral roll information wasn't found by H was due to the address format it had used when carrying out a credit search.*

*Experian made a counteroffer of £100 but didn't agree to pay Ms M the value of the £205 incentive she missed out on. Ms M didn't accept and confirmed she wanted £205 to resolve the complaint. As the parties haven't accepted the investigator's view, Ms M's complaint has been passed to me to make a decision.*

## **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.*

*I can understand Ms M's surprise that she was charged for her subscription despite being part of a free trial. I'm pleased Experian was quickly able to issue a refund to put Ms M back into the correct position. In my view, that fairly resolved the subscription issues Ms M experienced.*

*The main focus of Ms M's complaint appears to be about the bank account application that was declined leading to her missing out on the incentive with H. Our remit is to try and put the customer back into the position they would've been in had no error been made by the respondent business. But we have no powers to award compensation where no mistake has been made. So for me to award Ms M £205 in respect of the incentive she missed out on, I'd have to be satisfied, on balance, that it was Experian's actions that led to the loss.*

*Experian has provided us with evidence of the way Ms M's address is recorded by her local authority for electoral roll purposes. Experian has also provided evidence of the address format used by H when carrying out a credit search which differs. The local authority uses the format of street number/flat number then road name. The word "flat" isn't used by Ms M's local authority when recording her electoral roll registration with Experian. But the address format used by H when completing its credit search was Flat number followed by the street number then the road name.*

*So whilst I understand H wasn't able to see Ms M was registered on the electoral roll when it carried out a credit search, I'm satisfied that was caused on the basis of the differing address format it used as opposed to the way her electoral roll information is recorded by the local authority. I haven't seen anything that shows the failure to see Ms M's electoral roll registration was caused by a mistake by Experian.*

*Ms M has the option of contacting her local authority to see whether it's able to amend the way it reports her address for electoral roll registration purposes so it matches the other format used.*

*I note that once Ms M contacted Experian it advised she could add the different address formats to her profile which would link the credit file she sees to her electoral roll details. But Ms M should be aware that when third parties, like H, carry out a credit search the address format used could impact whether her electoral roll registration is found or not.*

*As I haven't found evidence that supports errors by Experian led to Ms M's application with H being declined I'm unable to agree it would be fair to tell it to compensate her for the £205 incentive she missed out on.*

*Experian has agreed to pay Ms M £100 for the overall distress and inconvenience caused. I'm satisfied that's a fair way to resolve Ms M's complaint, so don't intend to increase the award further.*

Ms M responded and explained she felt the compensation should reflect the poor levels of service she'd received from Experian, including time spent on the phone and multiple errors it made. Ms M also said that she disagreed that it's her responsibility to contact the local authority concerning the format of her address. Ms M says other credit reference agencies were able to find her address and that she remained of the view that the error lies with Experian.

Experian responded to confirm it was willing to settle by paying Ms M £100.

### **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.

In response, Ms M has explained that other credit reference agencies were able to find her address using the format she's provided. Here, Experian has both the address formats

recorded on Ms M's profile. But when H completed the credit search, it used the format noted in the provisional decision which gave a flat number then street number and road name. That format was significantly different to the way Ms M's address is recorded by her local authority for electoral roll registration. And I'm satisfied that the difference between the address formats is why the electoral roll registration wasn't found when H completed a credit search in support of Ms M's application – as Experian claims.

To put it another way, had H used the same address format as Ms M's local authority uses to record her electoral roll registration, I'm satisfied Experian would most likely have been able to confirm the details during the application process.

Ms M's told us she doesn't feel it is her responsibility to contact the local authority to amend the address format it reports for electoral roll purposes. I gave that information to let Ms M know she had that option, but it's her decision whether to do so. As I noted in the provisional decision, if the address format used in future credit searches differs from the way her local authority reports electoral roll registration it may mean it isn't picked up.

Ms M's explained she had to make various calls to Experian and that it incorrectly charged subscription fees which took some time to sort out. I've taken everything Ms M has told us into account in terms of the level of distress and inconvenience caused. In my view, £100 reflects the impact of the issues raised on Ms M and is a fair way to resolve her complaint. I'm sorry to disappoint Ms M but I haven't been persuaded to increase the award or tell Experian to take any further action.

### **My final decision**

My decision is that I uphold Ms M's complaint and direct Experian Limited to settle by paying her £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 29 May 2024.

Marco Manente  
**Ombudsman**