

The complaint

Mr C complains that TransUnion International UK Limited reported his private information on his brother's credit file. Mr C also complains that his brother's private information was reported on his credit file.

What happened

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

Mr C's explained that in late 2023 he applied for two credit cards but the applications were unexpectedly declined. When Mr C looked at his credit file, he found his brother's accounts and personal information had been reported. As a result, the credit file didn't show a clear picture of Mr C's finances or circumstances.

Mr C asked his brother to check his credit file. Mr C's explained his details and accounts were being reported on his brother's credit file as well.

Mr C complained to TransUnion in January 2024 but no final response was issued. Mr C went on to refer his complaint to this service and it was passed to an investigator. They requested TransUnion's complaint file. Within the file, TransUnion provided evidence that it had taken steps to disassociate Mr C and his brother's details from their credit file.

Our investigator upheld Mr C's complaint and asked TransUnion to pay him £300 for the distress and inconvenience caused. TransUnion agreed, but Mr C asked to appeal.

Mr C said TransUnion's actions were in breach of data protection principles and had caused significant distress and hardship to him and his partner. Mr C set out how he felt TransUnion's actions had breached the Data Protection Act 2018. Mr C provided details of the sorts of information that had been shared and advised his credit score had dropped and that he'd been declined for credit cards in December 2023. Mr C said he wanted a comprehensive response from TransUnion setting out what had happened. Mr C added that he's lost confidence in TransUnion's ability to securely store his private information going forward. Mr C also said he wanted compensation of £25,000 to reflect the level of distress and inconvenience caused.

As Mr C asked to appeal, his 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'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.

I can understand why Mr C is so frustrated at what happened and the way TransUnion responded. Mr C's private details, including information about different financial commitments he holds, his residential status, credit searches and associations were all shared with his brother without his consent. In turn, Mr C found private information about his brother's finances that he had no wish to see. In addition, Mr C's explained that in December 2023 he was unexpectedly declined for credit card applications and I agree it's likely the errors on his credit file played a part. Clearly Mr C had a reasonable expectation that TransUnion would store his information securely and not release it to third parties without his consent. And I can understand why having his brother's details, and his or theirs in return, would cause a reasonable level of embarrassment and strain.

I would add that whilst complaint handling in itself isn't a regulated activity, I think the way TransUnion handled Mr C's case and dispute was unreasonable. Mr C sent regular messages to TransUnion setting out the detail of his concerns and asking it to rectify the problems. But there seems to have been little to no contact from TransUnion. And I've not seen anything that shows it either resolved the issue in good time or sent Mr C a response to his complaint, setting out what happened. In my view, the way TransUnion handled Mr C's concerns added to an already difficult situation. I've taken this into account when deciding how to fairly resolve Mr C's complaint.

In response to the investigator, Mr C says he wants TransUnion to provide a comprehensive reply addressing his concerns. I take Mr C's point, but we can't force a business to respond. Once a complaint has been made, the respondent business has eight weeks to issue its final response. From that point, the customer is then able to refer the matter to this service for consideration – which is what happened in Mr C's case. I can understand why Mr C wants a clearer understanding. It appears that similarities between Mr C and his brother's personal information caused TransUnion's systems to incorrectly match data and accounts to each other's credit files. As a result, details were shared in error.

TransUnion has supplied evidence from its systems that shows once the issue was looked at, it made a systems amendment to disassociate Mr C and his brother's details from each other. That should have fixed the issue. I would recommend that Mr C looks at his most recent credit file on receipt of this decision. If it's not correct, Mr C can provide a copy and point out the details and I will take that further with TransUnion. And if Mr C's brother's credit file still holds his information in error, I will also be able to address that with TransUnion before issuing a final decision.

Mr C's explained how he feels TransUnion's actions have breached the Data Protection Act 2018. But it's not the role of our service to say whether there's been a technical breach – that's something the Information Commissioner's Office is responsible for. But I've taken the relevant rules and regulations into account when deciding how to resolve Mr C's case.

I can understand why Mr C is concerned about the security of his information given what's happened. But we can only look at complaints about what has happened and the direct impact to a consumer. If Mr C finds similar problems occur in the future, he has the right to complain and ultimately refer the matter to this service or take legal action.

In response to the investigator, Mr C's told us he would like TransUnion to pay him £25,000 for the distress or inconvenience caused. But I haven't found grounds to make an award at that level. Details of how the Financial Ombudsman Service considers compensation of this nature can be found on our website. We take the impact of a business' error into account

when considering the amount to award. And, as I've set out above, I'm satisfied the impact to Mr C was significant. Taking all the available information into account, I agree that £300 fails to reasonably reflect what happened. Based on everything Mr C's told us about his case, I think a fairer approach would be for TransUnion to pay him a total of £750 for the distress and inconvenience caused. In my view, that figure more reasonably reflects the level of distress and inconvenience caused and is a fairer way to resolve his complaint.

I invited both parties to respond with any further points or comments they wanted me to consider before I made my final decision.

Mr C responded to my provisional decision and explained he strongly disagreed with the settlement I reached. Mr C explained his view there had been a persistent data breach and that, as of 10 May 2024, his brother's details remained on his credit report. Mr C also provided the outcome of an ICO investigation into the incident. Mr C reiterated his view that an award of £25,000 is fair in terms of the levels of distress and inconvenience caused. Mr C provided details of various legal settlements and court cases that had awarded compensation of similar amounts. In addition, Mr C noted TransUnion had failed to respond to his complaint within the eight week period allowed by the Financial Conduct Authority. Mr C also said he didn't think the award of £750 fairly compensated him for his time.

I went back to TransUnion and queried why the third party details remained on Mr C's credit file. TransUnion provided systems evidence it says demonstrated the third party details had been removed. Mr C also provided an up to date copy of his credit report dated 17 June 2024 and confirmed his brother's details had now been removed.

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.

Mr C has forwarded us a copy of the outcome of the ICO investigation into the way TransUnion handled his data. The ICO concluded TransUnion didn't comply with its data protection obligations as a third party's details were inaccurately linked to his credit report. The ICO confirmed it had written to TransUnion to provide advice on how to improve its practices. I'd like to thank Mr C for providing the ICO outcome which reaches similar conclusions to this service's, but formally confirms there was a breach. As I said in the provisional decision, Mr C's brother's details were incorrectly linked to his by TransUnion. I'm pleased the ICO has provided TransUnion with guidance on how to improve its practices.

I've reviewed all the supporting documents provided by both Mr C and TransUnion when reaching my decision. I accept there has been a data breach that impacted Mr C. And I accept Mr C's view that the issue went on for longer than it should have. In response to the provisional decision, Mr C provided screen shots of incorrectly linked accounts that remained on his credit file as late as May 2024. As the information provided was in the form of screen shots from TransUnion's app, it's not clear whether they were from an up to date copy of Mr C's credit file or not. I note that the most recent date of the accounts linked on the screen shots was from March 2024. So it's possible that the process of removing the third party links (which can take up to eight weeks to go through) was still going on at the time the information was provided. I'm pleased Mr C has been able to provide evidence by way of an up to date credit report that the third party links have now been removed which appears to have resolved the underlying issue.

I appreciate Mr C's view is that £750 fails to fairly reflect the level of distress and inconvenience he's been caused over several months. Mr C's forwarded details of various legal cases he feels are relevant and provide precedents for a level of compensation of

around £25,000. But, the Financial Ombudsman Service operates differently to the courts, including the level and nature of awards we make. Further details of how we consider awards for distress and inconvenience caused to a customer can be found on our website. I note Mr C has suggested we apply a £3,000 award for each of the seven breaches, but I'm not persuaded it's fair to award compensation on that basis. As I noted in my provisional decision, we take the impact of a business' mistake on a customer in terms of the overall level of distress and inconvenience caused when deciding what's fair. That's the approach I took when reaching my provisional decision.

I've relooked at all the information provided by both parties in this case, including Mr C's detailed submissions and responses to my provisional decision. I can understand that the issues raised are likely to have caused some difficulties and potential strain between Mr C and his brother. And I don't doubt that Mr C has spent a significant amount of time trying to resolve the issues he's raised. I want to assure Mr C I've considered all the points he's made when bringing his complaint. Having done so, I remain of the view that a settlement of £750 for the level of distress and inconvenience caused is fair and reasonable in all the circumstances. I'm very sorry to disappoint Mr C, but I haven't been persuaded to increase the award further.

Mr C's told us that if the level of compensation award doesn't reflect the settlement he's requested he's likely to take legal action. That's Mr C's right and if he doesn't accept this final decision it won't become legally binding on the parties involved. Mr C would then be free to pursue alternative action to resolve the issues raised.

Mr C's made the point that TransUnion failed to issue a final response to his complaint within the eight weeks allowed. But as I noted in my provisional decision, I took the failure to issue a final response into account when reaching the settlement of £750.

I remain of the view that a settlement of £750 in respect of the distress and inconvenience caused to Mr C and the mistakes TransUnion made is fair and reasonable in all the circumstances. As I haven't been persuaded to change the conclusions I reached in my provisional decision, I'm going to uphold Mr C's complaint and direct TransUnion to pay him a total of £750 for the distress and inconvenience caused.

My final decision

My decision is that I uphold Mr C's complaint and direct TransUnion International UK Limited to settle as follows:

- Pay Mr C £750 for the distress and inconvenience caused
- Ensure none of Mr C's private information is shared on his brother's credit file
- Ensure Mr C's credit file only has information relevant to him recorded

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 July 2024.

Marco Manente
Ombudsman