

The complaint

Mr W complains that Equifax Limited incorrectly reported a financial associate on his credit file.

What happened

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

In March 2023 Mr W contacted Equifax after he found a family member's details were noted on his credit file as a "financial associate". Mr W went on to contact Equifax and explained that the third party didn't have Power of Attorney or authority from the Court of Protection to act on his behalf. Although Mr W has explained the third party is able to represent him when dealing with the Department of Works and Pensions (DWP).

Mr W asked Equifax to remove the financial associate link from his credit file. Mr W also raised a complaint and asked Equifax to pay compensation for the impact of having the financial associate on his credit file.

In May 2023 Equifax contacted Mr W and explained that as it hadn't resolved his complaint within eight weeks he had the right to refer the matter to the Financial Ombudsman Service. Mr W's case was subsequently referred to us.

An investigator looked at Mr W's complaint but didn't think Equifax had made a mistake or acted unfairly by recording the financial associate on his credit file.

Mr W asked to appeal and pointed out that, at the time of the investigator issuing their view of his complaint, Equifax still hadn't resolved the underlying issue and that the financial associate remained on his credit file.

On 9 August 2023 Equifax completed its investigation into Mr W's request to remove the financial associate from his credit file and the link was deleted. Towards the end of October 2023 Equifax issued a final response to Mr W's complaint and confirmed the financial associate had been removed from his credit file. Equifax produced and sent Mr W a copy of his credit file dated 25 October 2023 to confirm the deletion had been made.

As Mr W 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'd like to assure Mr W in particular that I've read and considered everything he's told us and all the information provided when considering how to fairly resolve his complaint. In addition, I'd like to thank Mr W for his patience whilst his complaint has been with us.

Mr W's explained that a family member acts on his behalf when dealing with the DWP as a recognised appointee. But Mr W's explained that the family member doesn't have authority to represent him in any other capacity, like a Power of Attorney arrangement, so shouldn't be linked on his credit file as a financial associate. Equifax, in turn, has explained that it didn't create the financial association reported on Mr W's credit file. Equifax has also provided information concerning how financial associates are created.

Whilst I haven't found anything that shows Equifax caused the financial associate to be initially recorded, I think it's reasonable to say that it took a very long time for it to investigate and resolve Mr W's concerns. Mr W and Equifax have both provided evidence to show he first raised the issue in mid March 2023. But it wasn't until 9 August 2023 that Equifax completed its investigation and ultimately deleted the financial associate, as requested. And Equifax appears to have taken until 25 October 2023 to produce an updated copy of Mr W's credit file (with the financial associate deleted) and respond to his complaint, confirming the link had been removed.

I've looked at Equifax's website to see what it says about financial associates. Equifax explains that if a financial associate is noted in error, the customer can contact it and ask for the link to be removed. I'm satisfied Mr W followed the advice given on Equifax's website and asked for the financial associate to be removed in mid March 2023. I haven't seen anything that explains why it took around five months for the link to be removed and a further six weeks to confirm that to Mr W in a final response.

Equifax has explained that Mr W has made multiple complaints about the services it offers. Whilst that may be the case, I'm only looking at Mr W's complaint about the financial associate on his credit file and the request to remove it made in March 2023. And I think it's only fair to recognise that Mr W has explained why he's concerned about the link and has found the delay in resolving the issue increasingly frustrating. So whilst I understand Equifax didn't cause the financial associate to be reported, I'm satisfied it took too long to investigate and resolve Mr W's dispute. And I'm satisfied that Mr W has clearly found the process both distressing and inconvenient. I'm pleased Equifax was ultimately able to resolve the underlying problem by deleting the financial associate's details. But I think a payment to recognise the distress and inconvenience caused to Mr W by the delay in resolving the problem is fair.

Based on the information I've seen, including Mr W's comments, I intend to award £200 for the distress and inconvenience caused. In my view, that figure reasonably reflects the trouble and upset caused to Mr W over an extended period and is a fair way to resolve his complaint. So unless I see any new information in response to this provisional decision that changes my mind, I intend to uphold Mr W's complaint and direct Equifax to pay him £200.

I invited both parties to respond with any further comments or information they wanted me to consider before I made my final decision. Mr W responded and advised he didn't accept. Mr W said he would accept £300 for the distress and inconvenience caused along with £83.93 representing subscription costs paid to a business he's used to check his credit file.

Equifax responded and said the time taken to deal with Mr W's dispute and confirm the outcome and amendments made to him was due to high volumes of work and the level and nature of contact it received from him. Equifax didn't agree that it's fair to pay Mr W £200.

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 appreciate Mr W remains dissatisfied with the settlement noted in the provisional decision but I haven't been persuaded to change the award. I remain of the view that £200 fairly reflects the delay in Equifax investigating his dispute and taking steps to remove the financial associate from his credit file, for broadly the same reasons. Mr W's also asked for compensation for his subscription costs for accessing his credit file via a third party business. But I haven't seen anything that leads me to conclude it would be fair to ask Equifax to cover Mr W's costs of accessing his credit file.

I note Equifax's response and that the delay was partly due to the volume of work at the time. And I've taken Equifax's comments about the level and nature of Mr W's contact into account as well. Having done so, I still think Mr W should reasonably have expected Equifax to have resolved this issue without a delay of this nature. I haven't seen any evidence from Equifax that reasonably explains why it took over five months for the amendments to be made and confirmed.

As I haven't been persuaded to change the conclusions I reached in my provisional decision, I'm going to continue to uphold Mr W's complaint and direct Equifax to pay him £200 for the distress and inconvenience caused.

My final decision

My decision is that I uphold Mr W's complaint and direct Equifax Limited to settle by paying him £200. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 July 2024.

Marco Manente
Ombudsman