

## **The complaint**

Mr C complains Equifax Limited incorrectly reported a County Court Judgement (CCJ) on his credit file that didn't belong to him.

## **What happened**

In August 2023, Mr C was contacted by his employer as a CCJ had been found on his credit file during security vetting. While Mr C explained the CCJ belonged to a family member with the same first and last name, and was nothing to do with him, his employer said he wouldn't pass vetting unless this was disputed and ultimately removed.

On 8 August 2023 Mr C contacted Equifax. He explained that having contacted the County Court he'd been told the CCJ didn't contain a date of birth or middle name, which is why it had been incorrectly added to his file – he asked Equifax to remove this.

Equifax explained as they didn't own the data, they were unable to amend it and Mr C would need the Court or plaintive to add information to the CCJ to disassociate it from him.

Over the next few days, Mr C spent time contacting the Court, Equifax and other Credit Reference Agencies (CRAs), by email and on the phone, to get this issue resolved. During this, on 9 August, Mr C sent Equifax a letter from his family member acknowledging the CCJ belonged to him and not Mr C.

On 18 August Mr C contacted Equifax again, and was told they'd accepted his family members evidence, and added a date of birth to the CCJ, disassociating it from Mr C.

At this point Mr C complained, saying Equifax had taken too long to resolve matters, and he should be compensated.

Following this Equifax wrote to Mr C, explaining they were still investigating Mr C's complaint, but as they were unable to meet the deadlines in which they needed to issue a Final Response, Mr C could complain to our service – which he did in October 2023.

Mr C said the whole experience had been extremely stressful - he'd almost lost his job as a result of the incorrect information and been unable to sleep for several weeks. He said Equifax were rude and defensive when he spoke to them across several weeks, refusing to accept they'd made a mistake. Mr C also said the incorrect information had meant he'd been unable to get loans, and his car finance was at a higher rate as a result. As such he wanted to be compensated for the impact this had caused him.

Separately, on 19 October Equifax issued their final response. This explained they were unable to change a record without written authorisation from the Court or Registry Trust. However, they'd agreed to add a date of birth to the CCJ following information Mr C's family member had provided, so it had been disassociated from him on 10 August 2023. They also confirmed the CCJ was no longer appearing on Mr C's credit file.

An Investigator here reviewed matters and concluded Equifax hadn't acted unfairly. They explained the Court had provided a CCJ which held just a first name and last name, so the

details matched Mr C. He also explained Equifax couldn't amend the record without evidence – and their process was to return Mr C to the Court or plaintiff, which they did. The Investigator acknowledged this would have been stressful for Mr C, but ultimately his employer had found the information using another CRA – not Equifax. He also didn't think Equifax's call handlers had been rude to Mr C.

Mr C didn't agree, he said Equifax should have carried out checks to ensure the CCJ was added to the correct credit file. He also didn't think it mattered what CRA had been used – the information would always have been discovered.

With no resolution, the case was passed to me to decide.

I issued a provisional decision, explaining why I intended to uphold this complaint. I said:

***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.*

*In considering what is fair and reasonable, I've taken into account the relevant industry rules and guidance, and what would be considered as good industry practice.*

*Firstly, I think it would be helpful to explain, Equifax don't own the data they report on – the data is owned by lenders, third-party companies and other organisations. This means Equifax aren't generally responsible for the data provided, but must ensure the data is accurate, and investigate this when a dispute is raised.*

*The responsibility of reporting accurate and up to date information therefore rests mainly in the hands of the data providers. CRAs do not actively approach data providers for information, rather it is sent to the CRA in a data package for them to report. CRAs then report the information they have been given.*

*In this case, all the details Equifax received about the CCJ matched Mr C – the issue here was there wasn't enough information on the CCJ to say it wasn't his. Equifax, like other CRAs, will use algorithms to match data to credit files, and it's not unreasonable that as a result there might be some errors. What I need to consider is what steps Equifax took once Mr C notified them of the issue.*

*I agree the CCJ was recorded in error, but I'm satisfied Equifax needed to carry out checks to verify what Mr C had told them, when he first reported the issue on 8 August 2023. Equifax initially followed their internal processes and advised Mr C he'd need to contact the Courts or the plaintiff. As the CCJ didn't belong to him he couldn't contact the plaintiff, and I understand the Courts couldn't help either. Mr C explained this to Equifax across several phone calls and emails. As such it would have been helpful at this stage for Equifax to offer alternative options – but they didn't do this.*

*Mr C was proactive in trying to resolve this issue, making it clear from the outset the impact this could have on his employment. It also seems it was Mr C who actively sent evidence from his family member, acknowledging the CCJ, to try and resolve matters. He did this on 9 August 2023.*

*Equifax's system notes show this evidence was accepted and added to the CCJ on 10 August 2023 and Mr C was disassociated from this point. But when he called later the same day, he was incorrectly told they were still reviewing the information.*

*It took a further eight days for Equifax to notify Mr C the evidence had been accepted, and even then, this was only after Mr C called to chase matters on 18 August 2023. Equifax should have told Mr C the evidence had been accepted and his record disassociated from the CCJ when he called on 10 August 2023. This delay would have been understandably distressing for Mr C, especially considering the impact a CCJ would have on his employment. So I've taken this into account when deciding what I consider to be fair compensation.*

*While I agree Equifax could have done better here, having listened to the calls Mr C had, I've not heard that Equifax's call handlers were rude to Mr C, as he says. So I won't be upholding that part of his complaint.*

*Mr C has also said he's been unable to get credit and he's found finance more expensive. While Mr C hasn't provided evidence of this, I agree the presence of a CCJ on a credit file will typically make it more difficult for someone to get credit. And if they are accepted for credit, they will likely need to pay more to borrow. That said, Equifax disassociated the CCJ in a matter of days once they were notified of the error. So while I can accept Mr C may have had difficulties, I wouldn't be able to hold Equifax responsible for those until they'd been notified of the issue – for the reasons I've explained above.*

*Overall, I do think Equifax could have done better here. They have reported a CCJ against Mr C when he didn't have one and they have provided poor customer service by not telling him sooner the CCJ had been removed. Understandably this has caused Mr C a significant amount of distress, particularly given the impact this could have had on his employment. The fact Equifax didn't update Mr C sooner extended the period of distress unnecessarily. Because of this, I currently intend to uphold this complaint and require Equifax to compensate Mr C £250.*

## **Responses to my provisional decision**

Mr C responded explaining he was still experiencing difficulties with lenders as a result of the CCJ. Providing evidence of an email from his broker in March 2024, which said Mr C had been declined for lending by two providers and attributed this to the CCJ still appearing on his credit file. As such he didn't consider the CCJ had been completely removed from his record.

Equifax also didn't agree. In summary they said:

- Mr C received a response from Equifax on 18 August, advising the CCJ was no longer showing on his credit file.
- Evidence they'd previously provided shows Mr C obtained a copy of his credit file from a third-party provider, and as such would have known the CCJ was removed before he received their final response letter.
- As the information is stored and supplied by the Registry Trust (RT), their normal process is to direct a consumer to the RT or the Court – which they did. And manually adding a date of birth is outside their normal process.
- Lenders check the RT directly, and as such Mr C would need to ensure the CCJ had been removed from there also.

Equifax also provided a more recent copy of Mr C's credit file, from a third-party provider, from March 2024, which said no CCJ's were recorded. Saying as Mr C didn't hold a

membership with them, they couldn't generate their own report for him. They said, given all of the above, they didn't consider £250 compensation was warranted.

To assist with my review, our Investigator asked Mr C to start a free membership with Equifax and obtain a copy of his credit file from them, which he agreed to do.

This showed the CCJ on his Equifax credit file under *Attributable Data*. Equifax explained that until Mr C registered with them in March 2024, they weren't able to see this information, but have since removed it.

### **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've considered all the responses I've received, along with the additional information provided. Having done so, I've reached the same outcome as I set out in my provisional decision, I've explained this in more detail below.

Equifax say because Mr C didn't hold a membership with them they weren't able to see the CCJ listed under *Attributable Data* until he joined in March 2024. Before this time, they were relying on a credit file from a third-party supplier, which I've seen didn't show a CCJ as being present in March 2024 – this was also the case in the version from October 2023, after they say he was disassociated from the record. This is why Equifax considered the CCJ had been removed.

Once Mr C started his membership with Equifax, it became apparent the CCJ was still listed, under *Attributable Data*. Equifax say *Attributable Data* is information they believe may relate to an individual, but it's not definitive. They went on to explain lenders can see this information but should obtain proof of whether it does or doesn't relate to an individual before making any lending decision. I've reviewed the CCJ listed under *Attributable Data* on Mr C's Equifax credit file and note this clearly includes a date of birth that isn't Mr C's.

Equifax say they couldn't see this information until Mr C started his membership in March 2024, but once they could they removed the record altogether in April 2024. Equifax have also shown Mr C's credit score with them didn't change after the CCJ was removed – saying it therefore had no bearing on his credit worthiness.

I've thought about everything and consider the question that's therefore left for me to decide is whether the CCJ listed under *Attributable Data* has impacted Mr C. And if it has, whether I can fairly say Equifax's actions were the sole reason for that impact. Based on what I've seen I don't think I can fairly say that was the case. I've explained this in more detail below.

While Mr C has provided an email from his mortgage broker from March 2024 which mentions potential lenders asking for the CCJ to be removed, the email also goes on to say another lender declined Mr C's application due to other adverse information. I've also taken into account that it is the responsibility of the lender to obtain proof the *Attributable Data* relates to the applicant before making any lending decisions – something I can't hold Equifax responsible for if this didn't happen. Having done so, I can see the CCJ listed clearly showed a different date of birth, there was other adverse information and Equifax has shown Mr C's credit score didn't reduce after the CCJ was removed in April 2024.

As such, while I think it would have been helpful for Equifax to suggest earlier that Mr C registered for a membership with them, and it's not clear why that didn't happen, I'm not

persuaded the sole or main reason Mr C was declined for a mortgage was due to the CCJ being erroneously added to his credit file – so I can't hold Equifax responsible for this.

Turning now to the responses Equifax provided. Equifax say they acted outside of their usual process to resolve matters for Mr C, and Mr C would've been aware the CCJ had been removed when he obtained a copy of his credit file from a third-party provider. But this doesn't negate the delay Equifax caused initially.

Equifax disassociated Mr C from the CCJ, by adding the date of birth, on 10 August 2023. But they didn't tell Mr C they'd done that until 18 August 2023 – even though Mr C spoke to Equifax after they'd done this. It's this delay I consider Equifax could have prevented, and reduced the impact on Mr C. As mentioned above I also think it would have been helpful for Equifax to tell Mr C earlier to obtain a credit file from them directly.

Having weighed everything up that I've explained above, I still consider £250 compensation is a fair way to resolve matters – particularly given the distress caused and that Mr C spent eight days thinking he could lose his employment opportunities.

I understand this will come as a disappointment to Mr C, as I understand he was still experiencing problems obtaining a mortgage, however as explained I can't hold Equifax responsible for this. Mr C may want to contact the RT and the Courts to ensure a date of birth has been added to the original CCJ record.

### **My final decision**

For the reasons set out above I uphold this complaint and require Equifax Limited to pay Mr C £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 4 July 2024.

Victoria Cheyne  
**Ombudsman**