

The complaint

Miss G complains that TransUnion International UK Limited (TransUnion) reported negative payment information on her credit report and failed to apply a Notice of Correction when requested.

What happened

I issued my provisional decision to both parties on 24 May 2024, which set out the background and my provisional findings on this complaint. My provisional decision said:

Miss G contacted TransUnion about a dispute she was having with her utilities company, which I'll refer to as Company A. She explained Company A had threatened to default her account which would impact her credit worthiness.

TransUnion let Miss G know she could add a Notice of Correction to her file and explained how she could do this. Miss G asked for a copy of the report so she could compose a rebuttal. She later sent Notice of Correction wording to TransUnion without sight of her credit report, as she said she was concerned it would consider her previous email as refusal to do this.

After reviewing the wording provided by Miss G, TransUnion told her it may be more appropriate to first raise a dispute with Company A and add a Notice of Correction if this wasn't successful. It asked Miss G to confirm how she wanted to proceed and provided a link to its website with further information.

Miss G complained to TransUnion that it had failed to grant her two things - the content of Company A's statement concerning her creditworthiness and her right to have a Notice of Correction added to her credit report.

In its final response, TransUnion said Miss G's notice wording couldn't be added to her credit report as it apportioned blame and named both Company A, a third-party company and an individual. It explained to Miss G that if she still wished for this wording to be added, it would need to be referred to the Information Commissioner's Office (ICO) for arbitration.

Before TransUnion issued its final response to Miss G, she referred her complaint to this service. In summary, she said:

- *TransUnion reporting Company A's complaint against her is an abuse of process.*
- *TransUnion refused to provide her with a copy of her credit report to allow her to respond to what Company A reported.*

Our Investigator reviewed matters and said it wasn't unreasonable for TransUnion not to upload the Notice of Correction Miss G provided. And it acted fairly by giving her the opportunity to amend it before sending it to the ICO, as it was unlikely to be approved. They acknowledged that Miss G had now received a copy of her credit

report as requested and offered to forward amended Notice of Correction wording to TransUnion on her behalf.

Miss G didn't accept our Investigator's findings. She said:

- *TransUnion produced and circulated a one-sided credit report which contains incorrect suggestions about her creditworthiness.*
- *TransUnion refused to specify what was wrong with the Notice of Correction wording she supplied.*
- *TransUnion refused to reveal the content of Company A's report.*
- *This service failed to investigate the actions of Company A.*
- *TransUnion took advantage of the eight-week rule for replying to her complaint to delay the Notice of Correction being applied to her credit report.*

In addition, Miss G also referred to additional entries on her credit report which she says are inaccurate, or out of date, and therefore should be removed or amended.

Our Investigator reviewed the points made by Miss G and maintained their opinion that TransUnion had treated Miss G fairly. They said:

- *TransUnion offered to raise a Notice of Dispute which is what we'd expect a Credit Reference Agency (CRA) to do when a consumer tells them information recorded on their file is inaccurate. And TransUnion is unable to remove or amend the data without consent from the data owner, in this case Company A.*
- *Businesses are entitled to eight weeks to investigate new complaints under the powers afforded to them by the industry regulator, the Financial Conduct Authority (FCA). And while TransUnion didn't respond within this timeframe, it did advise her she could refer her complaint to this service after the eight weeks had passed.*
- *TransUnion explained to Miss G within its final response why it was unable to upload the wording she'd provided.*
- *Our service doesn't have the power to consider complaints against Company A.*
- *Miss G will need to raise a new complaint with TransUnion about the other information she disputes on her credit report.*

Miss G didn't agree. And as no agreement has been reached, the matter has been passed to me to decide.

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's important to explain I've read and taken into account all of the information provided by both parties, in reaching my decision. Miss G has sent this service a lot of information for me to consider during the course of her complaint. If I've not commented on something that's been said in this decision it's not because I

didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every point raised unless it's relevant to the crux of the complaint.

It might also be helpful to first explain what it is this decision will cover. Since Miss G referred her complaint to this service, she's become aware of further entries on her credit report that she disputes. As these are separate to the subject matter of this complaint, I'm unable to comment on these here. Miss G has been correctly advised by our Investigator that she will need to raise this with TransUnion directly as a new complaint before this service can consider it.

In addition, this complaint is against TransUnion and so I can only consider the actions of TransUnion in this decision. I therefore won't be commenting on the actions of Company A here.

Turning now to the aspects of Miss G's complaint that I am able to consider, I've addressed each of these below:

Disputed default reported

The information held by CRAs is provided to them from sources such as financial businesses, local authorities and utility companies, who are the owners of the data. TransUnion is only able to display the information it is provided with by the data owners, so isn't responsible if there are any inaccuracies in the data given to it.

However, CRAs are expected to take reasonable measures to ensure the information that is reported by lenders is accurate. So, when notified of a possible inaccuracy by a consumer, I'd expect TransUnion to raise a dispute with the data owner.

TransUnion can only amend information it holds if the data owner confirms the information is wrong. If the data owner does not give permission for it to be amended, TransUnion cannot change it.

In Miss G's case, TransUnion did offer to raise a dispute with Company A about the entry on her credit report, which is what I would've expected it to do. Miss G didn't proceed with this option, so a dispute was never raised. TransUnion therefore never obtained the required permission from Company A to remove or amend the data on Miss G's credit report.

Because of this I can't say that TransUnion has acted unfairly by displaying the default reported, or continuing to display the information it has been provided by Company A.

Notice of Correction

TransUnion suggested Miss G add a Notice of Correction to her credit report. It provided Miss G with guidance on how to do this and the conditions that apply which said:

"You'll need to consider the following conditions when writing your NOC:

- Must not contain more than 200 words
- Must be relevant to the information we hold on your credit report
- Cannot be scandalous, frivolous, defamatory or libellous
- Cannot name a third party
- Cannot apportion blame

Before we add any wording to your report, we'll review the request and make sure that it follows the guidelines set out above."

It also provided Miss G with a link to credit report help on its website, which included information and guidance on how to add a Notice of Correction to her report. Within Miss G's communication with TransUnion, she confirmed she'd looked at this information, so I'm satisfied she was able to access the information she needed.

Having reviewed the statement Miss G provided to TransUnion, I agree it doesn't adhere to the conditions set out above. I'm therefore unable to say TransUnion acted unfairly by not adding it to her credit report.

The ICO's published guidance regarding the process of adding Notice of Corrections to credit files says:

"• If the agency thinks your notice of correction is incorrect, defamatory (affecting someone's reputation), frivolous or scandalous, or is for any other reason unsuitable for publication, it must pass the notice to the Information Commissioner. The Commissioner will then make an order to say what notice, if any, should be added to your credit reference file."

I'm satisfied TransUnion has specified why the statement did not meet the criteria and fairly allowed Miss G opportunity to amend the wording accordingly before it was forwarded to the ICO in line with the above guidance.

Since referring her complaint to this service, Miss G has provided amended wording which will be considered by the ICO.

Service

Having reviewed the overall service provided by TransUnion, it did fall short of satisfactory throughout its handling of Miss G's dispute.

Following Miss G's first contact about her dispute with Company A in March 2023, it took TransUnion two months to respond and inform her of the option to apply a Notice of Correction to her credit report.

Miss G asked TransUnion to provide a copy of her report so she could respond to what had been reported by Company A. Miss G chased this three times between May and September and informed TransUnion of her concern about this not being provided.

Concerned about the implications of the delay, Miss G provided TransUnion with her Notice of Correction wording in May 2023. It was only when TransUnion issued its final response to Miss G's complaint, four months later, that it explained why Miss G's statement hadn't been added to her credit report. And at this point, it still didn't offer any assistance to Miss G in obtaining her credit report or respond to her concerns about this not being provided already.

While TransUnion are entitled to eight weeks to respond to a complaint, and it correctly advised Miss G that she could refer her complaint to this service if she didn't receive a response in this time, TransUnion still could've provided Miss G with the assistance she required to proceed with the Notice of Correction process during this time.

As this service is not the regulator, I cannot fine or punish TransUnion. But I can consider the impact caused to Miss G and I do think TransUnion's inaction and poor communication caused her unnecessary inconvenience and frustration over a prolonged period of time. So, I think it's fair that TransUnion pay Miss G £150 compensation in recognition of this.

Putting things right

TransUnion should pay Miss G £150 compensation.

My provisional decision

For the reasons set out above, my provisional decision is that I uphold this complaint.

Responses to my provisional decision

TransUnion confirmed its acceptance of my provisional decision and offered no further comments or submissions.

Miss G didn't provide any new information for my consideration. She said she wants the compensation increased to £1,500 and for it to be paid to Company A in full and final settlement of her dispute, on the condition that it removes all records of her owing it any money.

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.

As mentioned above, this complaint is about TransUnion and therefore I'm unable to decide on what Company A should do to resolve Miss G's complaint against it. Neither can I hold TransUnion responsible for settling any outstanding debt Miss G holds with Company A.

As there are no further submissions for me to consider in relation to this matter, I see no reason to alter the conclusions reached in my provisional decision as set out above.

That is, TransUnion was not at fault for reporting the information it was provided by Company A. And it handled Miss G's Notice of Correction request fairly and in line with the relevant industry guidance. But TransUnion did cause unreasonable delays and failed to assist Miss G in obtaining her credit report, which caused unnecessary inconvenience and frustration. So, it should pay Miss G £150 to reflect that.

Putting things right

TransUnion should pay Miss G £150 compensation.

My final decision

For the reasons set out above, my final decision is that I uphold Miss G's complaint about

TransUnion International UK Limited. I now require it to put things right as described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 5 July 2024.

Nicola Bastin
Ombudsman