

## The complaint

Miss H complains Equifax Limited incorrectly applied data to her credit report relating to her sister and refused to remove her data from her sister's credit report.

## What happened

### *Incorrect information on Miss H's credit file*

In March 2024, Miss H says her sister contacted her to let her know she believed information relating to Miss H was on her credit file. Shortly after, Miss H created an account with Equifax to look at her own credit file and saw her sister's information was appearing on it.

Miss H called Equifax twice on 25 March 2024. In the first call, Miss H says she was told she'd need to create an online help account with Equifax to continue with her complaint about the incorrect information on her credit file.

In the second call, Miss H says she was told her sister would need to raise her own complaint with Equifax about Miss H's information appearing on her sister's credit file.

On 28 March 2024, Equifax added a Notice of Disassociation (NoD) to Miss H's credit file. And on 29 March 2024, Miss H said her sister's information was removed from her credit file. Miss H says while she recognises Equifax removed her sister's information from her file quickly, she's unhappy that her information still appears on her sister's credit file.

Equifax say this issue happened as a result of an error in their data matching system. In Miss H's case, Equifax's system matched similarities in details between her and her sister which then led to information being incorrectly linked. To resolve this issue, Equifax said they loaded a NoD on 28 March 2024 which then removed Miss H's sisters' information from her file and vice versa. Equifax apologised for any distress and inconvenience caused and offered Miss H £300 compensation.

Equifax say that Miss H's sister used a third-party website, who Equifax supply credit information to, to view her credit report. And as Equifax don't have access to Miss H's credit report and for data protection and security reasons, Equifax say Miss H's sister would need to contact them via the third-party website if incorrect information remains on her credit file.

### *Complaint handling and service*

Miss H is also unhappy with Equifax's complaint handling and service in relation to this issue. Miss H says Equifax asked her to set up an online help account with them to see the progress of her complaint, which she says she didn't want to do due to Equifax's terms and conditions. Miss H referenced the below term which she said removes Equifax's liability:

*"Nothing in these terms limits or excludes our liability for death or personal injury caused by our negligence. Subject to the foregoing, we shall not be liable for any of the following losses or damage (whether such damage or losses were foreseen, foreseeable, known or otherwise): (a) loss of data; (b) loss of revenue or anticipated profits; (c) loss of business; (d)*

*loss of opportunity; (e) loss of goodwill or injury to reputation; (f) losses suffered by third parties; or (g) any indirect, consequential, special or exemplary damages arising from the use of this Website regardless of the form of action.”*

Instead, Miss H says she contacted Equifax about her complaint either via email or telephone and that each time she emailed them, she was given a different complaint reference by Equifax. Miss H says it wasn't clear what each reference related to. But that eventually, Equifax told her some were duplicate references, some related to queries that had been resolved and others were still ongoing. Equifax have told us they currently don't have any open complaints for Miss H on their system.

Miss H also raised concerns about Equifax's obligations to the Information Commissioner's Office (ICO) when a data breach has been identified, which she says Equifax haven't adhered to.

### *Distress and inconvenience caused*

Miss H says this issue has had a lot of impact on her, her family and her relationship with her sister. In summary, Miss H told us:

- She suffers from health issues, which worsened because of this issue.
- This issue impacted her application for credit and that she also had to take out an account with higher interest fees, which she says was a result of this issue.
- She spent money seeking legal advice, and paying for a researcher, which she said was necessary and vital. Additionally, Miss H says she has spent a lot of her own time trying to resolve this issue. Miss H says her time is worth no less than £11.44 an hour and that she incurred travel costs when visiting her sister.
- She has spent time making phone calls to Equifax. Miss H says because of her mental health, she struggles with this as she often had to prepare herself before making the phone calls which is distressing for her.
- She has had constant arguments with her sister about this issue and that it has fractured the bond they built, which has caused Miss H distress.

Our Investigator looked into Miss H's concerns. In summary, he said having considered how quickly Equifax added the NoD to have the incorrect information removed from Miss H's credit file and the impact Miss H described, he felt the £300 compensation offered was fair. Our Investigator said it was Miss H's choice to seek legal advice, as well as paying for a researcher, and that there was no indication from Equifax that they wouldn't be liable for doing something wrong in relation to a complaint.

Miss H disagreed. In summary, she said she didn't feel our Investigator had properly considered the impact and distress this issue caused her. Miss H says she had evidence showing her information was on her sister's credit file, which our Investigator didn't ask her for. Miss H also said Equifax committed a crime in the mismanagement of her data and reiterated that Equifax breached the ICO's rules as they didn't inform the ICO of what happened here. Miss H said she felt Equifax were trying to force her to create an online help account with them to review the progress of her complaint and that she shouldn't have to do this to resolve or obtain more information relating to her complaint. Miss H also said having spoken to other people in a similar situation, there's a risk this issue could happen again. Miss H said the £300 offered by Equifax wasn't enough to recognise the distress and inconvenience caused to her.

Our Investigator further responded and said he didn't ask for the evidence Miss H referred to as neither party had disputed that something had gone wrong, and that Miss H's information

was appearing on her sisters' credit file. And vice versa. He also said we wouldn't be able to comment on whether Equifax have committed a crime or breached ICO rules as it's our role to look at whether a business has acted fairly in the circumstances of a complaint. Our Investigator also said Miss H's sister would need to raise matters with Equifax about incorrect information on her credit report, as she's the owner of her credit file. Our Investigator empathised with the impact Miss H described and reassured her that he did take these into consideration when reaching his view that the £300 compensation offered by Equifax was fair.

Miss H remained unhappy and asked for her complaint to be referred to an Ombudsman. So, the complaint has been passed to me to decide.

### **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 think it's important for me to set out that my role is to look at whether Equifax have acted unfairly to Miss H. And if yes, have Equifax done enough to put things right in the circumstances. I can't make a finding on whether Equifax have broken the law or breached any ICO rules as that's not within my remit to do so.

#### *Incorrect information on Miss H's credit file*

It's not in dispute here that something went wrong – Miss H found out her sister's information was appearing on her credit file, and I can understand this was concerning. The information provided by Equifax shows me that once Miss H contacted them on 25 March 2024 about this issue, Equifax then loaded a NoD three days later on 28 March 2024. I think it was fair for Equifax to do this as it's not uncommon for Credit Reference Agencies, like Equifax, to load a NoD to remove any information from a customer's credit file relating to a person with whom they have no financial association with.

This method seems to have resolved Miss H's issue – she confirmed the following day her sister's information was no longer appearing on her credit file. Having considered all of this, while I can understand the distress caused to Miss H when she found out incorrect information was appearing on her credit file, I'm satisfied Equifax acted quickly in resolving this issue. I'll later consider the impact caused to Miss H and if Equifax have done enough to put things right.

Miss H has provided us with screenshots her sister sent us of her credit file on the third-party website, which I've carefully considered. One of the screenshots shows Miss H's sister's credit report was created on 23 March 2024 with, what appears to be, Miss H's financial information on it – this was five days before Equifax loaded the NoD. So, the fact that Miss H's information is on there isn't surprising.

Another screenshot shows Miss H's sister telling Miss H on 23 April 2024 in a message that her credit file had been updated and Miss H's information no longer appeared. This is in keeping with what Equifax told us – incorrect information was removed from Miss H's and her sister's credit file when the NoD was loaded on 28 March 2024. I haven't seen anything to persuade me that after the NoD was loaded on 28 March 2024, Miss H's data remained on her sister's credit file.

However, even if Miss H was able to show me her information remained on her sister's credit file after the NoD was loaded, and I've considered her sister's text message to her on 20 April 2024 confirming it was still there, I'm not persuaded Equifax need to do anything more.

Ultimately, information supplied by Miss H shows her information had gone from her sister's credit file at the very latest by 23 April 2024 – which would have been less than four weeks after the NoD was loaded. And I think £300 compensation considers the distress caused during this time.

### *Complaint handling and service*

I note Miss H has raised some concerns about the service she received from Equifax in relation to setting up an online help account to review her complaint. I've read the term Miss H has referred to from Equifax's website – which I've written out in full above. I don't feel this term is relevant to Miss H's complaint nor her circumstances as I don't think this term absolves Equifax of their responsibility if they've done something wrong in the circumstances of this complaint. Instead, my understanding of the term is relative to a customer's actions, rather than Equifax's responsibilities. Therefore, I can't fairly hold Equifax responsible for Miss H not wanting to track the progress of her complaint via their online help function and it was her choice to not do this.

The information provided by Miss H shows she continued to email Equifax for information after they'd resolved the issue of her sister's information appearing on her credit file. Equifax later explained to Miss H during a phone call and again in an email that each email sent outside of the online help account would create new case reference numbers. I can understand the confusion caused with multiple reference numbers being sent to Miss H, but I'm pleased to see Equifax clarified this with Miss H. Equifax also told us they advise any information relating to a complaint be reviewed through their online help account as it's easier to track cases that are raised. While I don't find this to be unreasonable, I think Equifax could have explained this to Miss H sooner.

### *Distress and inconvenience caused*

Turning to the impact of this issue that Miss H has described. I firstly want to express my empathy for the difficulties Miss H has told us about. I want her to know I've read and considered everything she's shared with us.

Ultimately, Equifax made a mistake when their system matched information incorrectly, which they've acknowledged. Next, I've got to think about whether Equifax have done enough to compensate Miss H for the distress and inconvenience caused. I note Equifax offered Miss H £300 compensation and based on what Miss H has told us, I think no amount of compensation will repair the damage caused between Miss H and her family. But I do think Equifax's compensation amount takes into consideration the distress caused.

I note Miss H says she incurred several costs in trying to resolve this issue, such as seeking legal advice, paying for a researcher, as well as a cost attached to her own time. I can't fairly ask Equifax to award Miss H these costs as it was her choice to seek additional support in raising the dispute and subsequent complaint. Additionally, we don't usually ask a business to make a specific award for someone's time. But when deciding whether Equifax have done enough to put things right, I have considered that Miss H has been caused inconvenience here.

Miss H has also told us about the impact this issue has had on her taking out credit and other accounts. Our Investigator explained in order for us to take this into account, we'd need to be satisfied the sole or main reason for the credit being turned down was due to the incorrect information on Miss H's credit file. In response, Miss H hasn't provided any further information, so I'm not persuaded to award the financial losses Miss H has claimed for here.

Having considered what went wrong, as well as how quickly Equifax acted in removing Miss H's sister's information from Miss H's credit file, and the distress and inconvenience caused to Miss H, I think £300 is fair in the circumstances. So, I won't be asking Equifax to do anything more.

I appreciate the frustration and confusion caused in Equifax providing Miss H new reference numbers when she emailed them. I also think Equifax could have been clearer in explaining to Miss H why they wouldn't be able to send information requests via email when she asked them if they could do that. Having considered this, I remain satisfied the £300 covers this failing of Equifax in this case.

Lastly, I understand Miss H doesn't feel confident this issue won't happen again and that others in a similar situation have told her there's a risk this issue could happen again. However, I can only look at what's happened in this instance, and I'm satisfied Equifax have acted fairly to rectify Miss H's credit file. If Miss H sees incorrect information on her credit file again, I'd expect Equifax to investigate things as they have done here.

### **My final decision**

Equifax Limited have already made an offer to pay £300 to settle the complaint and I think this offer is fair in all the circumstances.

My decision is that Equifax Limited should pay Miss H £300 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 9 October 2024.

Leanne McEvoy  
**Ombudsman**