

The complaint

Mr F complains about Equifax Limited's actions when he was disputing a fraudulent account and an incorrect linked address on his credit file. He's also unhappy his credit score doesn't show on the reports he was getting from them.

What happened

I issued a provisional decision setting out what'd happened, and what I thought about that. I've copied the relevant elements of this below, and they form part of this final decision.

Mr F had concerns regarding four different companies. I can't name them as this decision is published on our website, so I'll refer to them as follows:

Company A – water company

Company B – phone company (fraud)

Company C – phone company (network provider)

Company D – retail company who seem to have created the incorrect linked address information

Mr F's concerns initially started with Company B, when he received a letter about an account he didn't recognise. He contacted Company B, who after investigation agreed the account had been opened fraudulently, and said they'd close it down. Mr F disputed the account with Equifax and asked them to remove the account. In response, the dispute was marked as 'resolved' but without reply to him. Mr F called up, and found further issues regarding his credit file which needed resolving – including two accounts, and a linked address.

When dealing with Equifax, Mr F provided them with the letter from Company B which confirmed the account was opened fraudulently. But when the dispute came back, Company B said it couldn't be removed – and when Mr F asked what'd happened to the letter he'd sent in, he was told it couldn't be viewed internally. Ultimately, Mr F raised a complaint about all of the issues he was experiencing as he didn't think Equifax were helping him.

Equifax said:

Company B – they'd raised the issue with them, but the reply was if Mr F believed it was fraudulent, then he'd need to get a Crime Reference Number and speak to them directly regarding it.

Company D – they'd raised the issue with them, but again the reply was to get a Crime Reference Number.

Equifax added they don't own the data they report – and they can't make amendments to the data without authorisation from the data providers. They added there was no information showing on Mr F's credit file for Company B or Company C – and they'd gone back to Company D to try and resolve the address issues.

In respect of the credit score, Equifax said they don't have any free products that shows someone their credit score. They do have paid products, and free trials. Overall, they didn't uphold these issues. But they did also note Mr F's frustration he was told his concerns had been resolved, his case closed, and he was asked to verify himself on more than one occasion. Equifax explained when they get an answer from the lender, they mark the case as closed, but this didn't mean disputes couldn't be re-raised. They upheld this element and offered Mr F £20.

Unhappy with Equifax's reply, Mr F asked us to look into things. He said he'd written to them dozens of times and spent hours on the phone trying to resolve these issues. He said issues regarding Company B and Company C had now been resolved after months of effort, but the incorrect address linked to Company D hadn't been, and he'd had to write to Company A again.

Our Investigator ultimately upheld Mr F's complaint, awarding £150 compensation. At the point of doing so, all incorrect accounts had been removed from Mr F's credit file – but the address link remained. She upheld the complaint because Equifax said Company D hadn't agreed to remove the linked address, but felt Equifax had more than enough information at this point to confirm it wasn't accurate. She'd previously said Equifax should have raised the Company A dispute when Mr F first mentioned it.

Mr F felt it was unfair this matter had been going on for so long and wanted compensation more in the region of £500.

Equifax disagreed. In summary they said they'd disputed the creation of the address link with Company D on 12 October 2023, who had replied and said if Mr F felt the data was wrong he'd have to get a Crime Reference Number and contact them. Equifax said they'd disputed this again in December 2023 and Company D gave the same answer.

As both parties didn't agree, the complaint was prepared for an Ombudsman to consider. Before the case could be passed to me, Mr F provided some further information from Company A – which led to Equifax removing the address link without any further contact from Company D.

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.

As things stand, I understand there to be no incorrect information on Mr F's credit file. So, the key question here is whether Equifax acted fairly or not in their handling of Mr F's disputes.

The information contained on a credit file is given to credit reference agencies (CRAs) such as Equifax by data providers. These can be finance providers, utility companies, councils, and other appropriate entities. The data providers own the data that's reported, and generally CRAs aren't responsible for the data itself. They do though have a responsibility to take action when a consumer says data is incorrect.

And, this is where the disputes process comes in. I can see when Mr F contacted Equifax to tell them about Company B's fraudulent account, he got a copy of his credit file and found other issues – which Equifax then raised disputes about.

Generally, it'd be reasonable for Equifax to rely on the response received to the dispute from the data provider – Equifax won't always have independent information to be able to evidence that data is wrong.

So, I don't find Equifax did anything wrong initially in raising the disputes or relying on the information they'd been provided with. I can see they did raise disputes with Company B and D, as I'd expect. I can't see they did do anything regarding Company A, or Company C.

Initially, I think it was reasonable for Equifax to rely on the responses from Company D – for the reasons I've mentioned above. But I think it's fair to say that had Equifax raised a dispute with Company A as Mr F asked, then this matter could have been resolved significantly earlier.

I say that because it's the evidence from Company A, which has ultimately led to Equifax removing the linked address. Company A were clear in saying Mr F had never had an account at that address which Equifax have since accepted.

So, I'll be upholding this element of Mr F's complaint.

I'll also be upholding his concerns regarding Equifax's communication with him. Mr F raised multiple disputes and received confusing responses to those disputes telling him matters had been resolved when they clearly hadn't been. Equifax have later explained 'resolved' means an answer has been given – but from Mr F's perspective, and given he'd proven at this point he'd been the victim of fraud for at least one account, 'resolved' should only mean the incorrect data has been removed.

In summary then, Mr F has had to spend considerably more time than I'd have expected trying to resolve these issues. Disputes he asked to be raised weren't, and he's received unclear communication in response. In addition, these matters have been going on for a long time.

Our Investigator awarded £150, but I don't think this goes far enough to recognise the inconvenience Mr F has been put to – or the length of time that's occurred over. In the circumstances, I'm currently planning to award a total of £350. I'm aware Equifax offered Mr F £20, and this £350 award is inclusive of that.

Responses to my provisional decision

Mr F accepted the outcome and asked for a cheque to be sent to him and set out the address. He said if they can't do this, they should call him and gave him mobile number. Mr F also received a notification from Equifax they'd removed one of the incorrect addresses after my provisional decision was issued.

Equifax said they wanted to clarify more on the resolved emails Mr F was responding to. They provided a number of emails, and said they'd worked as intended.

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.

It's unclear to me why Equifax have sent this latest email to Mr F. Their response to my provisional decision to our service doesn't explicitly say whether they accept my outcome or not – so I'll assume they don't.

Equifax's response only confirms the same information which I've already considered. I understand why Equifax say the lender responses shouldn't have caused Mr F any confusion, but each time the responses said 'resolved' which Equifax themselves upheld in their final response letter.

Overall then, as Mr F accepted my outcome, and I'm not persuaded by Equifax's reply, I still uphold this complaint and think a total of £350 compensation is fair for the reasons I mentioned previously.

My final decision

I uphold this case and require Equifax Limited to pay Mr F a total of £350. Any compensation already paid for this complaint can be removed from this figure.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 November 2024.

Jon Pearce
Ombudsman