

The complaint

Mr R complains about Equifax Limited explaining:

- All of his accounts disappeared from his credit report
- This caused him problems applying for financial products
- He received poor customer service when trying to deal with this matter

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 R listed out all of the issues he had, which in terms of customer service included:

- *He was told he'd hear back in five days, but didn't*
- *He said he'd spoken to lots of customer service agents who weren't helpful*
- *They wouldn't put him through to the complaints department, and kept him on hold for long periods of time*
- *Some of the customer service agents didn't know what a vulnerable customer was, and he had to keep repeating himself*

I am just providing a brief summary, but I have considered everything Mr R has said. I have also noted that Mr R is vulnerable and has told us about his health. I thank him for sharing that with us. I won't be going into detail about this, because as Mr R is aware our final decisions are published on our website, and I'll usually copy this provisional decision wording into the final decision if it's necessary for me to write a final decision.

Equifax said in relation to his credit report, when Mr R got it on 11 May 2023 it didn't show all of his accounts – but within a week the accounts started showing. Equifax said it can take 6-8 weeks for new accounts to be provided to the credit reference agencies (CRAs). They also told us, Mr R had 18 current accounts showing on his credit file at the end of May 2023 – with 11 opened within the last two months – and this amount of accounts could also affect a person's ability to get more credit.

Equifax also told us, on 4 July 2023 no credit accounts were showing on his credit report – but they were showing on their database. They were unsure why this may have happened, and said sorry but explained, as of 23 August 2023 all accounts were showing. They noted Mr R said he'd lost out on various offers as a consequence of these issues but said they couldn't act on what might have happened, so didn't uphold this part of his complaint.

Next, Equifax reviewed the customer service Mr R had received and referred to one call he'd had with them. They said the call cut out regularly, which is why the agent had problems understanding him, and they didn't think they'd done anything wrong. Overall, they upheld Mr R's complaint and awarded him £100.

Unhappy with this Mr R asked us to look into things. When doing so, he explained:

- *The IT team at Equifax had taken too long to resolve this issue*
- *Equifax's customer services team didn't reply to his emails in a reasonable time*
- *The compensation awarded isn't enough for the distress and inconvenience he's been caused*
- *He's lost out financially on £425 worth of current account switch offers, as well as delaying the chance to take out credit to improve his credit position and apply for a savings account with a better rate, amongst other things*

One of our Investigators assessed Mr R's case. Ultimately she felt Equifax didn't handle things well, and awarded £250 compensation. She didn't though think Mr R had shown he'd likely have been accepted for the current account switch offers, so didn't award him the £425 plus 8% interest he'd asked for.

It's not clear if Mr R disputes the compensation but said the £425 plus 8% for the switcher offers should have been paid. So, the complaint's 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.

I think it's important to explain I've read and taken into account all of the information provided by both parties, in making my decision. I say this as I'm aware I've summarised Mr R's complaint in a lot less detail than he has. If I've not mentioned something that's been said it's not because I didn't see it, it's because I didn't find it relevant to the main point of the complaint. This isn't a discourtesy to either party, but my role is an informal one in deciding what a fair and reasonable outcome is. This also means it's not necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the main point of the complaint.

Initial contact to being provided with an answer

The initial issue Mr R raised was that none of his accounts were showing on his credit report. When he contacted Equifax on 4 July 2023, he asked for an explanation of what'd happened – as a previous report had shown the details. Mr R says he was told he'd be contacted within five days.

On 10 July 2023 Mr R called Equifax, as he'd not been contacted within five days as he'd been told. In this call, Equifax explained the accounts were showing on their systems, but for some reason, weren't showing on his credit report. He asked for the matter to be solved, requested compensation for accounts he'd missed out on, and was concerned the first agent he spoke to didn't understand he was vulnerable. He was also unhappy the agent didn't pass him through to a manager or the complaints department.

Between then and 9 October 2023 – when Equifax issued their final outcome – Mr R contacted Equifax many times. He asked for regular updates as not having them impacts him. He wanted to know why the issue happened, and he kept a tally of the compensation he felt was due. I'll write more about compensation in the 'Putting things right' section of this decision.

Mr R is concerned that Equifax took so long to provide him with an answer – and I agree.

This is sometimes categorised as complaint handling – which isn't usually in our jurisdiction to consider – but here I think we can. I say that because Mr R has talked about the impact

on him being exacerbated because he hadn't had an answer as to why his accounts weren't showing on his credit report. He also talks about his financial losses as a result of the original issue increasing due to the delays in replying to him – so I'm satisfied it's right to take into account the length of time to provide a full reply.

Customer service during this period

From first contact, to getting an answer, this was over three months which is disappointing. I can also see quite clearly Mr R wasn't contacted within five days from 4 July 2023, as they said they would, which led to him contacting Equifax on 10 July 2023.

And while I won't list each individual issue, I can see he has repeatedly asked for help/support to manage his condition and I don't think Equifax have really understood this at all – either on the phone or in writing.

More regular updates is something Mr R asked to help him, and this isn't particularly unreasonable. Despite this, in Equifax's notes, it's clear Mr R had to chase Equifax repeatedly to know what was going on. I'll also consider this in the 'Putting things right' section below when thinking about compensation.

Reason this issue happened in the first place

Mr R has also asked on many occasions for Equifax to explain what exactly happened to cause the issue with his accounts not showing on the credit file. They've told him they're not sure why it happened, they can only say it was an IT issue. Because Equifax aren't able to provide an explanation, I'm afraid I'm not able to give a reason either because we have to rely on information Equifax sends us – we don't have the ability to access their systems.

Switcher offers and whether they should be paid or not

I've thought carefully about this, as I can see Mr R has gone to some effort to get evidence he'd have been eligible for the accounts.

The difficulty I have here is he didn't apply for the accounts – and what he tested with the banks in question was whether he was eligible despite having an existing account. I understand Equifax told him not to apply for the accounts, and he followed their advice. But I'm required to decide what I think is more likely than not to have happened based on everything I have. So, whether he was or wasn't fully eligible for the actual switch offer, doesn't automatically mean the banks would have been prepared to open the accounts for him.

In the circumstances, I'm not satisfied on balance Mr R was definitely eligible for the switch offers, or that accounts would have been opened for him. I say that, because Mr R already had over ten current accounts open at this time and it seems likely to me at some point current account providers would have stopped being prepared to give him accounts. Given that, I won't be awarding these costs which he's claimed.

Putting things right

Overall I'm partially upholding this complaint and do require Equifax to pay compensation. But I think the compensation should be higher than the £250 recommended by our Investigator.

Mr R told Equifax early on the impact his vulnerabilities have on him and, crucially, what he needed from them to help him manage this. I've seen very little from Equifax to suggest they

really tried to support Mr R in dealing with this matter which, as a reminder, was an issue of their own making.

Equifax took far too long to deal with this issue, failed to keep Mr R updated as he'd asked for, and seemingly just made things difficult when they didn't need to. I don't think Equifax intended to cause this kind of impact on Mr R, but I think their failure to take account of his needs has had an impact on him.

Taking everything into account, I think fairer compensation for this case would be a total of £400. If Equifax have already paid the £100 they awarded, then it can be removed from this figure.

Responses to my provisional decision

Equifax replied within the deadline and were happy to agree to the additional compensation.

Mr R provided more evidence and explanations of why he thought the switcher offers should be paid. And he provided evidence of accounts opened after he'd have applied for the switcher offers – a further seven accounts, including three current accounts.

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.

Before moving to formally decide the case I considered the additional information from Mr R – and decided on reflection I was now persuaded he'd have been eligible for the switcher offers.

That's because he provided additional information from the banks showing he'd have been accepted for the offers, along with copies of the terms and conditions. In the circumstances, I can't reasonably say he wouldn't have been eligible for the switcher offers, when the banks themselves are explicitly saying he would have been.

In addition, Mr R has demonstrated he's applied for more accounts, and been accepted for at least a further seven – of which three are current accounts. I think this adds weight to his comments he'd have been accepted.

We emailed Equifax with the relevant evidence, explaining I was now intending to require them to pay a total of £400 compensation, plus £425 for the switcher offers with 8% interest.

The matter should have been resolved on 9 July 2023, so the 8% interest is to be applied from 10 July 2023 as this seems the fairest time to do so.

Equifax didn't reply by the deadline. We also emailed Mr R – who accepted the outcome.

In lieu of any comments from Equifax, and as they've not replied by the deadline, I still uphold this case.

One remaining issue is that Mr R asked Equifax to make some notes of their profile to help him communicate with them – and they’ve since removed this. Equifax seem to suggest this is done yearly. Mr R has asked if the requirements he’s asked them to record can be recorded permanently. As Equifax haven’t replied to this point, I don’t know if this is something they can do or not – but given they haven’t I suspect not. I’ve seen other situations where companies would say they don’t want to record information permanently in case it becomes out of date. In the circumstances, I don’t think it’d be reasonable for me to require Equifax to permanently note Mr R’s requirements. But, I will require them to explain to him what he can do in these circumstances.

My final decision

For the reasons I’ve explained above I uphold this complaint and require Equifax Limited to:

- Pay Mr R £425 for the switcher offers
- Apply 8%* interest from 10 July 2023 to the date of settlement
- Pay Mr R £400 compensation. This figure can be reduced to £300, if the £100 offered in Equifax Limited’s final response has already been paid.
- When contacting Mr R, explain what options he has for recording his communication requirements with them

*HM Revenue and Customs requires Equifax to deduct tax from the interest payment referred to above. Equifax must give Mr R a certificate showing how much tax they’ve deducted if he asks them for one. Mr R has told us he doesn’t pay tax, but this will be something for Equifax to resolve with him directly if he accepts this decision.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr R to accept or reject my decision before 30 December 2024.

Jon Pearce
Ombudsman