

The complaint

Mr J complains that Equifax Limited recorded a third party's information on his credit file.

What happened

Mr J's explained that in 2003 he moved into a property that had previously been lived in by someone with the same name as him. Mr J has told us that since that time, he's had repeated problems with the third party's details being recorded on his credit file and that various debt collection businesses have chased him for sums he doesn't owe. Mr J says he's had to repeatedly contact the credit reference agencies to try and correct the information reported on his credit file.

In July 2024 Mr J found new associations on his Equifax credit file. When Mr J checked, they appeared to be relatives of the previous occupier of his home with the same name. Mr J contacted Equifax on 8 July 2024 and asked it to investigate. Mr J also complained about the incorrect data shown on his credit file.

Equifax issued its final response to Mr J's complaint on 27 August 2024 and said the issue had been caused by an error in the data matching system it uses. Equifax explained that similarities between Mr J and the previous resident's details had caused information to be incorrectly linked. Equifax confirmed it had applied a Notice of Disassociation to its database to separate Mr J's information from the third party's. Equifax offered Mr J £120 in recognition of the distress and inconvenience caused. Equifax later increased its offer to £200.

Equifax issued a follow up final response to Mr J on 30 October 2024 and confirmed it had removed address links to the third parties from his credit file. But Equifax explained that the address links on Mr J's credit file had been created by other businesses and that they may reappear in the future. Equifax asked Mr J to contact it if further third party links were found on his credit file. Equifax also said that it provides tracing services to various debt collection businesses. And Equifax said it was up to the debt collection businesses to ensure they were pursuing the right person when making contact. Equifax offered Mr J a further £50 for the distress and inconvenience caused.

An investigator at this service looked at Mr J's complaint. The investigator said that they understood the issues raised go back over 20 years and had caused a considerable level of inconvenience for Mr J. But the investigator explained we could only look at the issues Mr J had raised with Equifax earlier this year when he found the disputed data and raised a complaint. The investigator wasn't persuaded the information on Mr J's credit file had a detrimental impact to his ability to secure credit. The investigator thought Equifax's offer of £250 was a fair way to resolve Mr J's complaint and didn't ask it to increase the settlement.

Mr J asked to appeal and explained he had another complaint registered with us against a debt collection business I'll refer to as C. Mr J added he'd previously had to ask Equifax to remove incorrect information from his credit file and that the issue had been impacting him for over 20 years. As Mr J asked to appeal, his complaint has been passed to me to make a decision.

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 can understand why Mr J is so frustrated as it's clear his details have been confused with another individual with the same name for a significant period of time. Mr J's told us he's had to contact Equifax in the past to get third party information that doesn't relate to him removed from his credit file. And Mr J's also told us various debt collectors have pursued him for debts that aren't his after he was incorrectly traced. I've read everything Mr J has sent us concerning the issues he's had over the last 20 years or so and I think it's fair to say they relate to various businesses, not just Equifax. For instance, I can see Mr J has raised concerns over an account for a water company that was shown on his credit file with another business. And whilst I understand Mr J has concerns over contact he's received from debt collectors over the years, it's the responsibility of those businesses to ensure they're contacting the right person. I can't hold Equifax responsible for all the issues Mr J has raised.

Further, I can only deal with a complaint that a business has had the chance to investigate and resolve first. Here, I can see Mr J contacted Equifax in July 2024 after receiving notification that new financial associations would shortly appear on his credit file. So whilst I note all the points Mr J has raised, my decision is going to focus on the issues raised with Equifax in July 2024 that are covered in the final responses it went on to issue on 27 August 2024 and 30 October 2024.

When Mr J contacted Equifax about the new links on his credit file in July 2024 it went on to apply a Notice of Disassociation that removed the link between him and the third parties. Equifax has provided systems evidence that shows the Notice of Disassociation was applied shortly after he complained. And I can see that the following credit file Equifax went on to produce shows all links were successfully removed, leaving information that was only relevant to Mr J. So I'm satisfied that Equifax took reasonably quick steps to resolve the third party links on Mr J's credit file.

Equifax's final response makes the point that its systems incorrectly matched Mr J's data with the third party with the same name. I can understand Mr J's frustration and appreciate this happened previously. But on this occasion, the third party data doesn't appear to have included any specific accounts or adverse information that was then recorded on Mr J's credit file. The data related to third parties who Mr J has no link with. As noted above, I'm satisfied Equifax applied its Notice of Disassociation to Mr J's credit file which resolved the underlying issue and removed the links.

Equifax's final response added that due to similarities in their name and address history, it's possible further link could be created in the future. I appreciate that will concern Mr J but Equifax can't control what information is loaded onto the credit reference systems by third party businesses. I can see Equifax recommended that Mr J continues to monitor his credit file and I think that's a reasonable approach.

Mr J recently contacted the investigator and explained he was willing to settle and accept the £250 offer Equifax had made. But Mr J said he also wanted Equifax to send him a letter that confirmed the issue would not happen again. Mr J repeated his concern that the issues raised have impacted him for over 20 years. I do take Mr J's point and understand his frustration that the issue has reoccurred more than once. But as Equifax has explained, it can't always control links created by other businesses that report to the credit reference agencies. So there may be situations in the future when Mr J finds links have been created that are outside of Equifax's control. Ultimately, if Mr J finds links to third parties or incorrect

information on his credit file it will need to be referred to Equifax to look at and dispute. And if the issue isn't resolved by Equifax to Mr J's satisfaction he will have the ability to refer the matter to this service. I'm sorry to disappoint Mr J but I can't force Equifax to write a letter that guarantees the issue won't occur again.

In my view, Equifax was able to quickly amend Mr J's credit file to correct it. I can see Equifax offered Mr J a total of £250 when responding to his complaint in recognition of the distress and inconvenience caused. Whilst I understand my decision is likely to disappoint Mr J, I'm satisfied that a payment of £250 recognises the impact of the issues raised on him and is a fair way to resolve his complaint. As I'm satisfied Equifax has corrected Mr J's credit file and already made an offer that is fair and reasonable in all the circumstances I'm not telling it do anything else.

My final decision

My decision is that Equifax Limited has already agreed a settlement that is fair and reasonable in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 3 January 2025.

Marco Manente
Ombudsman