

## **The complaint**

Mr R complains Equifax Limited reduced his credit score without an explanation.

## **What happened**

Mr R says he queried a transaction he made on his credit card with his lender. After doing this, Mr R checked his credit file, on a website who I'll refer to as C. C aren't a Credit Reference Agency (CRA), instead, they allow customers access to the data that Equifax hold. Upon checking his credit file, Mr R noticed a 'Query' marker (Q marker) had been added for his credit card account that he'd raised a query on – this marker means an account is being looked into by the lender.

Mr R says because of this marker, his credit score reduced. After the marker was removed, Mr R says his credit score increased slightly, but not to what it was before the marker was added to his file.

Mr R has asked for his credit score to be reinstated and also for compensation for the error and for the delay in putting things right.

Equifax say they raised Mr R's dispute about the marker with the lender. The lender confirmed the marker could be removed and so it was. Equifax say Mr R's credit score is generated by their system and that the interpretation of Mr R's information could slightly differ across different CRAs or websites displaying credit information from CRAs, like C. Equifax also said due to the small increase in Mr R's credit score after the removal of the marker, it's likely there were other areas of Mr R's credit report which caused this. However, Equifax said they couldn't provide a breakdown of the score and points allocated as the score is completely system generated.

Our Investigator looked into Mr R's concerns. In summary, she said Mr R's credit score is just an illustration of how Equifax think lenders might look at his credit report and history. And that there are many factors which impact a credit score. Our Investigator also said as a credit score is system generated, this isn't something Equifax can disclose. However, a credit score has no bearing on lending decisions as this isn't something lenders can see. As our Investigator didn't think Equifax acted unfairly, she didn't ask Equifax to put things right for Mr R.

Mr R disagreed. He said Equifax haven't adequately explained why his credit rating dropped, and then only slightly increased when the marker was removed from his credit file. And that if Equifax could explain this, it would resolve matters. 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've noted that even though Mr R first saw the Q marker when checking his credit information on C's website, this complaint is against Equifax. Equifax are a CRA, unlike C. So, any disputes made to C about information appearing on a customer's credit file will need to be looked into by Equifax.

C's website explains that they get Mr R's credit score and report from Equifax. And that depending on the date of the report, there could be slight differences in the score C have and the one Equifax have. Equifax dealt with Mr R's query about the Q marker, raised a dispute with the lender as I'd expect, which then resulted in the lender confirming the marker could be removed. Equifax also responded to Mr R's complaint about his credit score not being reinstated to what it was before the involvement of the Q marker. So, with all of this in mind, I've continued to consider this complaint against Equifax.

I understand Mr R is frustrated by the lack of explanation from Equifax about why his credit score didn't go back to what it was before the Q marker was added to his credit file. And while I can appreciate this frustration, ultimately, my role is to decide whether there's been any detriment to Mr R and I don't think there has been, I'll explain why.

From what I understand, a credit score is calculated using the information held within a credit report. It isn't something lenders can see and is only available to customers as an indicator of how a typical lender might view their application for credit, based on their credit history. Additionally, the score is calculated using the relevant algorithms the CRA, Equifax in this case, use.

I've reviewed the two credit reports provided for Mr R – one with the Q marker on and one after the Q marker had been removed. And this suggests that after the Q marker was removed, Mr R's credit score increased slightly. While I haven't seen evidence of what Mr R's credit score was before the Q marker was added, I understand from what he's told us that it was higher than what the score then was once the marker was removed.

I appreciate Mr R's frustrations, and I understand he wants to know the reason why his credit score didn't go back to what it was before the Q marker was added. Equifax haven't been able to say, for reasons I've explained above. But, as I mentioned, my role is to decide if there has been any detriment to Mr R as a result of something Equifax may have done wrong. Here, I don't have any evidence to say Equifax have done anything wrong. And, because the credit score itself can't impact any lending decision made, I'm satisfied Mr R hasn't suffered any loss.

### **My final decision**

For reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 25 February 2025.

Leanne McEvoy  
**Ombudsman**