

The complaint

Mr I complains that Equifax Limited failed to tell him what information was requested when businesses carried out identification and authentication checks.

What happened

Mr I has told us that in August 2024 he applied for savings accounts with various businesses. As part of the application process, some of the businesses attempted to verify his identity via Equifax. But Mr I's explained that some of his applications were turned down when the identification checks completed via Equifax failed.

Mr I went on to raise a complaint with Equifax and has explained he wanted to know what information was requested to verify his identity so he can get a better understanding of why his applications failed.

Equifax sent Mr I a final response and follow up emails and provided some detail about the sorts of information businesses use when attempting to verify identity. Equifax said information including an applicant's address history, electoral roll information, current and previous credit agreements, court information and other information can all be used when completing a verification check for identity. Equifax added that Mr I's credit file contained his address and electoral roll history. But Equifax explained Mr I has no other accounts, either closed or open, being reported on his credit file. Equifax said that meant Mr I have what it termed *thin credit* which may make it difficult for businesses to verify them.

Mr I referred his complaint to this service and it was passed to an investigator. They said that Equifax wasn't directly involved with the application process and provided details of the sorts of information it supplies to businesses who check an applicant's credit file. Mr I asked to appeal and said the investigator still hadn't confirmed what the account providers asked Equifax when it completed an identity check. As Mr I 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've been reasonably brief in setting out the timeline of Mr I's complaint above as all parties broadly agree concerning what happened. Mr I's explained businesses he made applications for a savings account to attempted to verify his identity via the Equifax but weren't able to do so. Mr I wants to know what questions Equifax was asked and get a better understanding of why it wasn't possible to successfully complete an identification check. My decision will focus on that point.

I can see why Mr I may feel his questions haven't been fully answered as Equifax hasn't specifically confirmed the questions it was asked. But Equifax's final response and follow up emails provide a reasonable amount of information concerning the sorts of information businesses look at when completing an application. The final response confirmed that

businesses will look at information like an applicant's address history, electoral roll information, current and previous credit agreements, court information and other information that's reported on their credit file. Equifax went on to say that whilst Mr I's address and electoral roll registration were recorded on his credit file, there was little other information reported. Mr I had no bank accounts, utility agreements, credit commitments or any other open accounts reported. There was no evidence of any closed accounts on Mr I's credit file either.

What that means is that when businesses sought to verify Mr I's details using Equifax there was very little information for them to use so the verification checks weren't successful.

Mr I's asked for the specific questions or information the businesses he applied to requested from Equifax. But the system is largely automated and doesn't involve individual questions being asked. The information recorded about a customer's credit file is checked against the details provided in the application. In this case, it appears that because Mr I only had a very limited amount of information recorded on his credit file, it simply wasn't possible for the verification process to be successfully completed. It's not simply a case of checking the address and name details match the application. I understand Mr I may want a more detailed explanation, but I'm satisfied that Equifax has explained what information is used when a verification check is completed.

I've also looked at a full copy of Mr I's credit file to confirm whether Equifax is right in saying he has no accounts recorded. I can confirm that's the case and whilst Mr I's address history is noted along with the dates of registration on the electoral roll, there is little other information recorded beyond that.

As our investigator has already noted, Equifax won't have been involved in the decision made by the businesses Mr I applied to. Ultimately, as Equifax said when responding to Mr I's complaint, only the businesses he applied to can specifically confirm what information they used when trying to verify Mr I's details.

I'm very sorry to disappoint Mr I but as I haven't seen any evidence that Equifax made a mistake or treated him unfairly I'm not upholding his complaint.

My final decision

My decision is that I don't uphold Mr I's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 24 February 2025.

Marco Manente
Ombudsman