

The complaint

Mrs M complains Experian Limited have incorrectly added an account to her credit file having implications for her financially.

What happened

As I understand it another company, who I'll refer to as T, opened an account in a name with one letter different from Mrs M's surname, and added it to Mrs M's credit file. The information I'm aware of says Mrs M was carrying out a current account switch at the time, and she misspelled her surname.

Mrs M says as a result of this error, she's been turned down for credit, thinks Experian should do more to ensure the accuracy of data, and says her credit score has been changed because of this.

Experian said their systems allow for administration errors or mistyping – such as one letter being different. So, it's still possible for companies like T to view Mrs M's credit file even if they've misspelt her name. They couldn't answer why T had recorded the account as they had, but ultimately that's an issue for her to take up with them, which they could see she'd done. In respect of Mrs M being turned down for credit, Experian said this was the lenders decision – and she should contact them to find out why. For the credit score, Experian explained the score itself is never shared with lenders, just the conduct of the account. And in respect of verifying information, Experian aren't required to, but customers can check their details when needed.

Unhappy with Experian's reply, Mrs M asked us to look into things, saying she was concerned these errors were a data protection and anti-money laundering (AML) issue. She was also unhappy she couldn't see past credit scores to understand what precisely had happened when the account was added.

One of our Investigators considered things, and overall didn't uphold her complaint.

Mrs M didn't accept this. I've summarised what I consider to be her key points in my own words:

- After 15 months of her work, none of the issues have been addressed
- Our service has assisted with the defence of system failures
- The system failures by Experian are being ignored by us
- Had Mrs M not checked, the issue would still exist in the wrong name
- The effect of all of this is weak AML which poses risks to the financial sector and to society

As Mrs M didn't accept the outcome, the complaint's 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.

As a starting point I need to explain I can't decide if Experian have broken the law – I can only decide if I think they've acted fairly and reasonably. And, if I don't think they have, and this has had an impact on Mrs M, then I can require them to pay financial losses or compensation as I think is relevant.

Adding of the account to Mrs M's credit file despite the spelling error

Experian have explained their systems allow for typos, such as one letter missing from a surname, to be matched to people's credit files.

I don't find this intrinsically unfair. I say that because the data that's shared electronically usually has to be keyed by individuals at the data providers – and those individuals could easily make errors when typing information. And Experian will regularly process millions of records. Because of that, I don't think it'd be reasonable to expect a proactive approach to every single discrepancy their systems might pick up – as that could regularly be hundreds or even thousands.

So, I don't think Experian's systems allowing for a small error has created any kind of unfair or unreasonable outcome in Mrs M's case.

In these situations, I'd expect the data to be corrected or removed – based on what Mrs M has said, this issue has now been resolved – which is as I'd expect. If Mrs M disputes that at this point, I'd encourage her to get a new copy of her credit file and raise a new complaint if she thinks there is still incorrect data.

I've noted Mrs M says this error is a breach of data protection and AML law – but as explained above I can't decide if the law has been broken or not. To pursue this issue Mrs M may wish to seek legal advice.

Being turned down for credit

Experian say Mrs M being turned down for credit isn't anything to do with them, as they don't decide the outcome of lending decisions.

Mrs M says she's provided evidence of other lenders turning her down.

Generally, what Experian has said is right, which is they aren't responsible for lenders turning down credit. But, if they've made an error, then it'd be fair to hold them responsible for that error if there has been an impact.

I do need to see evidence of that impact and be satisfied the sole reason for that impact is due to Experian's error.

In Mrs M's case, the evidence she's provided doesn't prove lenders have turned her down due to what happened. None of the responses are from the lender directly – so I can't reasonably say they turned her down for credit solely due to the issues in this complaint, as I've not seen anything to show this.

Credit score

Mrs M wants to know what her credit score was before this issue happened.

Experian say someone's credit score doesn't impact on whether they're granted lending or not, because the lenders don't see the score, they just see how someone's run their account. They also say they can't provide a copy of Mrs M's credit score before all of this

happened, because their systems only generate one when they're asked to do so and until this event Mrs M hadn't asked them to.

I agree with Experian on these points. Lenders don't see an Experian generated credit score – they simply see information such as the number of accounts, how they've been run, address history – but not any score. The credit score is simply a numerical representation to help people understand if they're likely to be accepted for credit or not.

In respect of past credit scores, I haven't seen anything to suggest Mrs M did previously raise a request to get a copy of her credit file – which would have generated her credit score. In the circumstances, I'm satisfied there is no historical credit score Experian can provide to her.

I'm aware Mrs M is concerned about our service just 'accepting' Experian's word for things. So, I've also thought about what I'd say if there potentially was a way of getting this information – but I don't think this would change anything. The reason for that is because a credit score isn't, as I've set out above, a factor in any lender's decision. So, I can't see that Mrs M has been materially impacted by being denied access to this information – even if it existed which, for the avoidance of doubt, I'm satisfied it doesn't.

Summary

Overall, I don't think Experian making allowances for a small mistype is unreasonable, I've not seen sufficient evidence to say this has impacted Mrs M's ability to get lending, and I don't think there is any issues regarding her credit score.

My final decision

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 17 March 2025.

Jon Pearce
Ombudsman