

## **The complaint**

Miss R is unhappy EQUIFAX LIMITED (Equifax) merged the details of her personal credit file with her sister's credit file and then failed to let her know this had happened.

Miss R is represented in this matter by Mr N.

## **What happened**

After Miss R's sister obtained a copy of her credit file it was discovered that Miss R's credit file had been merged with her sister's. Miss R learned about this from her sister.

Equifax corrected the error on 29 July 2024 after Miss R's sister contacted Equifax to notify them of the problem.

Miss R raised her own enquiry and complaint with Equifax on 8 August 2024. As Miss R did not receive a response from Equifax she raised the issue again with Equifax on 20 August 2024.

Equifax replied to Miss R on 21 August 2024 and explained they could not locate her email from 8 August 2024.

On 4 September 2024 Equifax sent Miss R their response to her concerns. They accepted due to the similarity of details between Miss R and her sister, Equifax's system had been unable to separate their data and so their respective files had merged. Equifax apologised for their error and explained they are constantly reviewing their systems to avoid such errors from happening. Equifax added a Notice of Disassociation to Miss R's credit report to prevent the error from occurring again and confirmed they had resolved the issue on 29 July 2024 after being notified of the problem by Miss R's sister. Equifax offered Miss R £350 as compensation to settle the matter.

Miss R and her representative did not think the offer went far enough to recognise the upset caused to Miss R and to acknowledge the breach of sharing Miss R's data with a third party. Miss R did not accept the offer and her representative set out their expectation of an appropriate settlement was in the range of £3,000 to £6,000.

Our Investigator reviewed the case and explained the remit of this service was not the same as that of the financial regulator, the Financial Conduct Authority (FCA) or the Information Commissioner's Office (ICO). The Investigator concluded, in the circumstances, the offer and actions Equifax had taken were fair.

Miss R and her representative disagreed. While it was accepted an award of £3,000 may not be achieved in this case, the award of £350 fell significantly short of recognising the level of emotional distress the matter had caused Miss R given her sister had used Miss R's financial information to cause family discord. Mr N explained the stress of the matter had led to Miss R needing to take time away from work due to the familial tensions.

Our Investigator considered the points raised, but did not find them persuasive enough to alter their view of Miss R's complaint.

### **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 I note our Investigator explained to Mr N, the role of this service is to consider individual disputes based on what is fair and reasonable in the circumstance of each case. It is therefore not my role to fine or punish a firm, or request that a firm changes their processes, systems or controls – these are matters for the appropriate regulator to consider.

I am aware Miss R's representative has expressed concerns about the breach of personal data and Equifax's failure to adhere to data protection legislation. However, the matter of whether a law has been breached is for a court to decide, so this service does not have the authority to decide that.

As I think Miss R's representative is aware, the ICO is the independent regulatory office in charge of upholding information rights in the public interest and I understand Mr N has already indicated an intention to raise the concerns about Equifax's error directly with the ICO separately.

It is accepted by Equifax that the merger of Miss R and her sister's credit files was a fault caused by the sensitivity of their system. It is disappointing this happened as I recognise the importance of individuals wishing to ensure their personal data is protected and only accessed by those parties and organisations with the appropriate authority to do so. I am therefore in no doubt that what happened here was unexpected and upsetting for Miss R. What is therefore left for me to decide is how these events have impacted Miss R and whether the offer proposed by Equifax is fair in the circumstances.

Miss R was not aware of the problem until her sister alerted her to it, and there has been no suggestion that she has suffered a financial loss as a result of what happened. Equifax had also corrected the error before Miss R raised her concerns directly with them. So I think it's fair to say the error was corrected and contained to prevent any future potential risk to Miss R before she was fully aware of what happened, so she did not need to do any more to correct her credit file.

In this case, the impact to Miss R is therefore in terms of the emotional upset she has experienced because of Equifax's error.

The emotional impact described has been in relation to how Miss R's sister used the information she was able to see from Miss R's credit report in an attempt to discredit Miss R in front of the family.

My findings here are not to question or underestimate how this has affected Miss R emotionally or to reach findings on Miss R's relationships with different members of her family. I am mindful that family dynamics can be very complicated. It is also difficult to put a price on emotional impact, and I must consider that any compensation award here should be limited to how Equifax's error contributed to the distress Miss R experienced in this matter, as far as it is reasonably possible to do so.

Based on what has been shared about the emotional impact to Miss R, I am sorry to learn that her relationships with her family have been negatively affected by these events. I have reviewed Mr N's submissions about how Miss R's family relationships have been affected

and considered these alongside the approach this service takes when deciding compensation for non-financial loss such as this. In doing so, I find the £350 to be a reasonable offer in this particular case.

I have considered Miss R's submissions about the disappointment of Equifax failing to let her know that her data had been shared with a third-party.

It may help Miss R to know the ICO's guidance to organisations sets out an organisation must determine the likely risk to an individual as a result of a data breach and accordingly decide whether to inform the individual whose data has been breached. Given Miss R's submissions are that Equifax did not contact her about what had happened, it is apparent Equifax decided the exposure of Miss R's data did not put her at high risk.

As I explained earlier, it is not for me to determine whether Equifax have breached data protection law here. But in the circumstances of this case to decide what is fair and reasonable, I think it's fair to say Equifax corrected their error and it does not appear Miss R's data has been any further exposed.

Overall given Miss R has not experienced any financial loss because of what happened and the exposure of her data was corrected and contained, for the reasons I have set out above I think the offer of £350 is reasonable in the circumstances to recognise Equifax's error caused Miss R distress.

Lastly, I am aware of Miss R's frustration that Equifax did not acknowledge her initial email of 8 August 2024. I note Miss R did not follow this up with Equifax until 20 August 2024 and from reviewing Equifax's submissions it appears they have been unable to locate that email. It is not clear to me what happened here, but that said, I don't think the delay in Miss R being able to engage with Equifax affected matters here given Miss R's credit file had already been disassociated from her sister's credit file by the time Miss R raised her concerns.

### **Putting things right**

EQUIFAX LIMITED should pay Miss R £350.

### **My final decision**

For the reasons above, my final decision is that EQUIFAX LIMITED'S offer of £350 is fair, and they should now pay this to Miss R. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 13 June 2025.

Kristina Mathews  
**Ombudsman**