

## **The complaint**

Mr B complains Experian Limited allowed a third-party company to search his credit file which then resulted in an account being fraudulently opened using his details.

## **What happened**

In February 2025, Mr B says a third-party company, who I'll refer to as "H" carried out a search on his credit file. This then allowed for an account with H to be opened fraudulently. Mr B says this happened as a result of him being linked incorrectly to the wrong address on his credit file – Mr B says he's never had any association with this address and has never lived at that address.

Mr B asked for no further soft searches, which are usually carried out by companies for identity verification purposes, to be done on his credit file or any other searches to be done for the incorrect address.

Mr B asked Experian to apologise for what happened and pay him compensation.

Experian say their role as a credit reference agency (CRA) means they don't approve or decline applications for lending. They explained that generally, before allowing a customer to open an account, the third-party company may first want to complete additional checks which can be to verify identity – one of the ways this can be done is through completing a check with Experian. The third-party company will provide Experian with information they've been given by their customer, and Experian will review their data to see if it matches or not – Experian will then let the company know whether there is data that matches or not. But Experian say they can't stop companies from carrying out searches on a customer's credit file.

In this case, Experian provided information which was supplied to them by H – this showed Mr B's full name, date of birth and address – although there was a slight difference in the door number as it was missing the letter alongside the door number. Experian say they contacted H on Mr B's behalf and provided evidence from H where they said the credit search could be removed from Mr B's credit file.

Ultimately, Experian say H gave them information about their applicant and that they simply located information which matched this – which was Mr B's. This then resulted in a soft search being carried out on Mr B's credit file. Experian said they didn't tell H the applicant was Mr B, and the decision to open the account was H's, not Experian's. So, Experian didn't uphold Mr B's complaint.

Our Investigator considered Mr B's complaint. In summary, he said Experian raised Mr B's dispute with H promptly and the search was then removed. He also said Experian hadn't acted unfairly as they were given information from H, which they then used to locate and match it to Mr B. And although there was a slight difference in the door number of Mr B's address and the one provided in the information from H, our Investigator said Experian's systems have a tolerance for potential small administration errors or minor variations in the address.

Mr B disagreed and asked for an Ombudsman to consider his complaint. He said the fraudulent account wouldn't have been opened if Experian hadn't approved the credit check. Mr B also said H told him they assumed the information was correct because Experian approved it when carrying out a soft credit search. 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.

The crux of this complaint is Mr B feels Experian shouldn't have approved the credit check H carried out. And if they hadn't done so, Mr B says the fraudulent account wouldn't have been opened. I'm sorry to read Mr B has been a victim of fraud and I can understand this was both concerning and frustrating for him.

I've gone on to consider whether I think Experian were at fault for what happened here. To do this, I've looked at the Information Commissioner's Office (ICO) guidance in relation to CRAs. I acknowledge Mr B has also pointed to this same guidance in response to our Investigator's view. The relevant section of the guidance says, "*Credit reference agencies (CRAs) give lenders a range of information about potential borrowers, which lenders use to make decisions about whether they will offer you credit or not...The information held by the CRAs is also used to verify the identity, age and residency of individuals, to identify and track fraud, to combat money laundering and to help recover payment of debts.*"

In this case, Experian's role was limited to confirming whether the information H provided matched details on Mr B's credit file. With the exception of one small difference in the address details (the absence of the letter in the door number) the other details Experian received from H matched Mr Bs. Experian have explained that their systems are designed to allow for these kinds of differences because details, such as addresses, aren't always recorded in exactly the same way across different third party companies. In other words, information given to them by third parties doesn't have to be an exact match for them to link it to a customer. This seems reasonable to me given the scale of data Experian handle for their customers on a regular basis.

Mr B has provided evidence of the search that H carried out on his credit file and said that the search was done in the format of Mr B's surname first and then his first name – Mr B says this was clearly wrong and should have flagged up to Experian. While I can appreciate Mr B's comment, ultimately, the surname and first name both match Mr B's, just in a different format. And as I've said above, Experian have explained their systems allow for some differences in details.

With all of this said, while I appreciate Mr B says the type of check carried out by H was for identification verification, which shouldn't have happened as the details didn't completely match, I don't think Experian acted unfairly when confirming the data matched based on the information H provided them. I also don't think Experian were responsible for the account being opened by H – ultimately, it's H's decision as to whether an account was opened with them or not. Experian aren't responsible for telling H whether to accept the account application or not and if Mr B has concerns about the account being fraudulent, he'd need to raise these with H.

I've next gone on to consider whether Experian treated Mr B fairly in how they handled his dispute about the search H carried out on his credit file. To do this, I've looked at Experian's website to see what they say they'll do once a customer raises with them that incorrect

information is on their credit file. Experian say when investigating a dispute, they may contact the company that reported the information and ask if their records are correct.

Having looked at Experian's internal notes, I can see they contacted H after Mr B contacted Experian in April 2025. When contacting H, Experian said "*the customer states this search relates to fraudulent activity by a third party. Please confirm this can be removed*". It seems from the evidence available to me H replied to this dispute and said, "*Please delete search*". I think Experian did what they set out they'll do in raising a dispute with H, who then instructed for the search to be deleted from Mr B's credit file, as they were responsible for the search. Experian provided a copy of Mr B's credit file from May 2025, and I don't see the search appearing from H on there. So, I'm satisfied it's been removed.

Mr B has also referenced several parts and Articles of the General Data Protection Regulation about Experian's processing of his personal data which he doesn't consider they have followed. As Mr B has said, these relate to the way in which his personal data has been handled, and I note he said he will be raising these matters with the ICO as he said it will form part of any potential legal action he takes against Experian. As such, I won't be making further comment on those in this decision as the ICO would be more suitable to review his concerns about any breaches Experian may have made in relation to data protection and the handling of his data.

### **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 B to accept or reject my decision before 29 October 2025.

Leanne McEvoy  
**Ombudsman**