

The complaint

Mr A complains Equifax Limited were reporting an account on his credit file he didn't recognise.

What happened

Mr A became aware a utility account had appeared on his credit file he didn't recognise. He complained to Equifax about this, saying it was a data breach.

Equifax said this happened due to an error in their data matching system. Their system is designed to ensure it matches data correctly but has allowances for some data to have differences in information, as sometimes data is entered incorrectly. Equifax said similarities between Mr A and a third party allowed the account to appear on Mr A's credit file. To resolve the problem, Equifax say they loaded a Notice of Disassociation – and this has removed the third party's details from his credit file. Equifax said sorry for this and offered £50 compensation.

Unhappy with Equifax's response, Mr A asked us to look into things.

One of our Investigators did so, and thought fair compensation was £150 in total.

Equifax accepted this, but Mr A didn't. In summary he said:

- He didn't think the £150 compensation reflected the seriousness and impact of the issue
- The issue caused him considerable stress, disruption and anxiety – saying he spent countless hours trying to contact Equifax, getting transferred, having to repeat himself on multiple occasions
- What concerns him the most is if he didn't get an email telling him to check his credit file, he'd likely have received a County Court Judgment (CCJ) without any opportunity to address it – Mr A said this thought alone caused him extreme distress, he was left feeling helpless and anxious and had to take time off work to get this sorted
- None of this was proactively addressed by Equifax

Overall, Mr A wanted an Ombudsman to consider things, so 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.

I think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This

isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

It's not in question an error has occurred. Equifax have accepted that. What I need to decide is how much compensation is appropriate. To determine that, I need to think about the impact on Mr A.

From what I can see, he raised the dispute on 14 April 2025. The responsibility on Equifax at this point is to raise the dispute with the lender who provided the account data – which they did the same day. The next day, 15 April 2025, Equifax received a reply from the utility provider which contained details of the account – and the day after that 16 April 2025 the information was removed.

So, given the timeframes involved, I think Equifax have acted promptly to resolve the issue – and haven't exacerbated the impact by delaying the removal of the erroneous account from Mr A's credit file.

Clearly, the first impact is Mr A becoming aware of the data on his credit file. But I think the second impact is when Equifax tell Mr A about the outcome of the dispute – they tell him the account belongs to him and if he wants to dispute that he needs to contact the utility provider. This is despite the account details clearly not belonging to him and instead belonging to a family member. Mr A's concern about this is fully justified, given the only matching data appears to be the same surname. So, I find that disappointing.

Thinking now about what Mr A has said I can see he has spent some time having to contact Equifax. The records don't show the levels Mr A is talking about, but I'll accept what he's said as being accurate.

In respect of potentially getting a CCJ it's unclear to me why Mr A would think this is possible – or that there wouldn't be any opportunity to address this. I say that because I think most people would know they can dispute something they don't agree is correct – like Mr A did with the account. In addition, the issue was resolved within two days. So, although I don't doubt that was a stressful two days for Mr A, I think this limits the impact somewhat.

Equifax didn't proactively identify it – and this isn't something I'd necessarily expect them to. The reason for that is because Equifax's systems have already decided the account (incorrectly) belonged to Mr A. So, their systems aren't going to identify later on it doesn't until Mr A gets in touch. When he did, Equifax then did what I'd expect and at a very fast pace – they disputed the account, communicated the outcome to Mr A, and then resolved the issue once they properly understood what'd happened.

While I've no wish to downplay how this issue made Mr A feel, taking everything into account, I'm satisfied £150 is a fair reflection for the distress he was caused by this issue.

My final decision

I uphold this complaint and require Equifax Limited to pay Mr A £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 30 October 2025.

Jon Pearce
Ombudsman