

The complaint

Mr A complains TransUnion International UK Ltd merged his credit file with a third-party, causing information to be reflected incorrectly.

What happened

In August 2025, Mr A contacted TransUnion as he became aware accounts he didn't recognise were being reported on his credit file. He requested TransUnion correct this error and remove the accounts, referring to several rules and regulations he considered TransUnion had failed to comply with.

TransUnion reviewed matters and said Mr A's credit file had been incorrectly merged with a third-party. For this, it apologised, confirmed it would update its database and offered £150 compensation. It also said if Mr A had incurred direct financial losses as a result, it would also consider this.

Mr A didn't agree, saying as a result of the financial and emotional harm caused, as well as reputational damage, he considered compensation around £1,000 was more suitable. He also considered TransUnion's claim that financial loss needed lenders confirmation was misleading, referencing both the Data Protection Act 2018 (DPA) and General Data Protection Regulations (GDPR). As TransUnion didn't change its outcome, Mr A brought his complaint to this Service.

While the complaint was with this Service, Mr A provided evidence from a lender I'll refer to H, declining an application for credit he made around February 2024. Mr A also provided evidence from his credit file which he said showed a default, relating to the third-party, had been on his file since January 2024.

An Investigator here reviewed matters and agreed TransUnion had made an error. They also didn't think £150 fairly compensated Mr A, for what would have been an understandably distressing period. However, they explained it wasn't possible to confirm when the file merge had happened, which wasn't unreasonable. But the evidence Mr A provided didn't show the default had been on his file since January 2024 or that H's decision was solely due to TransUnion's error. Overall, they considered TransUnion should pay Mr A £300 to resolve matters.

TransUnion accepted our Investigators recommendation, but Mr A didn't. In summary he said:

- This was causing ongoing harm as TransUnion hadn't provided written confirmation the matter had been resolved or notified third parties and other Credit Reference Agencies (CRA's) it had shared data with. Which it was legally required to do.
- TransUnion's errors had been a contributing factor to H's decline of his credit application and the evidence he provided confirmed this.
- This had been ongoing since at least January 2024 – which he considered to be a

significant data breach and sustained period of damage.

- There had been systemic failures across all CRA's

To resolve matters, Mr A requested TransUnion pay at least £1,000 in compensation, provide a written letter of apology, remove all incorrect data and show that certain legal notifications had been sent to other CRA's confirming the error. He also said TransUnion should review its processes.

As no agreement has been reached, this 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.

In doing so, I've taken into account the relevant industry rules and guidance, and what would be considered as good industry practice.

I should explain, within this decision I can only consider the actions of TransUnion, not those of the other organisations Mr A has mentioned, including H and other CRA's. Should he remain unhappy with those organisations, he'll need to contact them directly.

I also want to explain I've read and taken into account of all the information provided by both parties, in reaching my decision. I say this as I'm aware I've summarised Mr A's complaint in considerably less detail than he has. If I've not reflected 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 courtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint.

The regulator the Financial Conduct Authority (FCA) sets out the rules for our service to follow. These rules are set out in the Dispute Resolution: Complaints (DISP) Handbook.

DISP 3.6.1 says:

The Ombudsman will determine a complaint by reference to what is, in his opinion, fair and reasonable in all the circumstances of the case.

And DISP 3.6.4 says:

In considering what is fair and reasonable in all the circumstances of the case, the Ombudsman will take into account:

(1) relevant:

(a) law and regulations;

(b) regulators' rules, guidance and standards;

(c) codes of practice; and

(2) (where appropriate) what he considers to have been good industry practice at the relevant time.

The effect of these rules mean I'm required to take into account the information, laws and legislations Mr A has mentioned, but I'm not bound by them. This reflects our informal nature as an alternative to the courts. As such, we wouldn't routinely quote every law that could potentially apply.

I should also explain, this Service is not the regulator, that's the role of the FCA. So while Mr A considers TransUnion should be required to follow certain processes, even if I found that TransUnion had acted unfairly, I wouldn't be able to instruct it to change its processes as a result.

It's not clear what happened to cause the issue here, but there is no dispute between either party that TransUnion made an error in merging Mr A's credit file with a third party. This has now been fixed, so what's left for me to consider in this decision is the impact this has had on Mr A, to decide what I think would be fair compensation.

It seems TransUnion were first made aware of the problem when Mr A contacted it around 20 August 2025. From that point it took it TransUnion a little over two weeks to correct Mr A's credit file. I can see it wrote to Mr A confirming this the same day, so from this point he was aware the error had been corrected. While Mr A has said TransUnion should provide a written letter of apology, I think it's email of 5 September 2025, along with its final response, acknowledging the issue, is sufficient here.

Mr A considers his credit file has been merged with a third-party since at least January 2024 – as such says the impact is more significant than the compensation recommended reflects. He considers it happened around this time as one of the accounts incorrectly listed is a defaulted account, which shows a default date in January 2024. He also says H declined an application for credit in February 2024 and in its response said:

"Unfortunately, on this occasion, we were unable to agree the card as you failed our credit scored assessment. In particular, there is adverse information held within your credit report with [CRA] and TransUnion who are two of the credit reference agencies we use to assess lending requests"

Firstly, I don't think the date of the default is evidence his credit file was merged at the time, it's the date that account was defaulted, not when it was added to his credit file.

Unfortunately, TransUnion isn't able to confirm exactly when the error occurred – but I don't think that's unreasonable, given the amount of data and information it receives. TransUnion don't own the data it reports on - the data is owned by lenders, third-party companies and other organisations. The responsibility of reporting accurate and up to date information therefore rests mainly in the hands of the data providers. Not owning the data also means TransUnion isn't generally responsible for the data provided but must take reasonable steps to ensure its accurate and investigate when a dispute is raised – as it did here.

I also don't think the declined application from H is sufficient to say the error occurred as early as January 2024 – or that TransUnion can be held responsible for this. Fundamentally, in order to uphold this aspect of Mr A's complaint, I'd need to be satisfied TransUnion was solely or mainly responsible for Mr A being declined lending. But having considered this, I've not seen sufficient evidence to say this was the case.

While H has said its decision was as a result of adverse information held within Mr A's credit report – that doesn't confirm the adverse information belonged to a third-party, rather than Mr A. Lenders decide whether they are willing to lend using a vast number of different factors, while a default would be considered "adverse information", it doesn't mean there wasn't other information, belonging to Mr A, that H also considered adverse. Without H

confirming exactly the reason it declined lending to Mr A, it is extremely difficult to apportion sole blame to TransUnion in such circumstances when there is a real and realistic possibility that several factors contributed to H declining Mr A's application.

On this point, while Mr A doesn't consider TransUnion require information from lenders to confirm financial loss, I'm afraid I don't agree. As explained, we'd first need to establish TransUnion were at fault, which as explained above, I haven't seen to be the case here. But I'd also then need to be persuaded Mr A lost out as a result. So I think it's reasonable for TransUnion to ask Mr A for information from any perspective lenders before making an award of financial loss.

Mr A has also said TransUnion hasn't provided evidence it's notified third-parties or other CRA's the information it held was incorrect. However, this isn't something I'd expect it to do. That's because TransUnion don't actively share Mr A's information, instead, lenders and third-party companies use data from CRA's such as TransUnion, where needed, to assess applications a consumer may have made. And in Mr A's case, the only lender he's referenced that may have turned him down for credit is H, so I'm satisfied there is no wider impact here.

In addition, TransUnion don't actively share information with other CRA's, so I also wouldn't expect it to notify them in the way Mr A suggests. And as explained, I can only consider the actions of TransUnion here, so should Mr A remain unhappy with the actions of other CRA's he'll need to contact them directly.

In considering the actions of TransUnion I've also taken account of information provided by the Information Commissioner's Office (ICO) which says:

"Do the CRAs need my consent to hold all this information on me?

No. Data protection law doesn't actually require the CRAs, or any other organisation, to have your consent before they are allowed to process your personal data. They can use it without consent if they have a valid reason and as long as you have been told what is going to happen to your data. These reasons are known in the law as a 'lawful basis', and there are six lawful bases organisations can use. If you have taken out a loan or credit card you will probably find details of this in the original terms and conditions that you signed."

So based on the above, I can't say TransUnion has acted unfairly in this regard. And while I note Mr A has also raised his concerns about the way in which TransUnion has handled his data, referring to certain laws and legislation, that isn't the role of this Service to decide. Should Mr A remain unhappy about TransUnion's actions in this regard he'll need to raise his concerns with the ICO – which is the most suitable organisation to deal with this.

Taking everything together, I can appreciate it would have been very distressing for Mr A to find someone else's information appearing on his credit file and it's reasonable he's compensated for that. But based on what I've seen I can't attribute everything Mr A has said to be as a result of the actions of TransUnion either.

While I understand Mr A considers he should get more compensation, I'm required to consider each complaint individually and on its own merits. Overall, as explained, I agree this would have been a stressful time for Mr A, but I've seen nothing to say the error has caused financial loss or ongoing detriment that TransUnion is responsible for. So having considered the impact caused solely by the error TransUnion made, I'm satisfied £300 fairly resolves matters. I say that because, although it's disappointing this error occurred, I've seen nothing to show it lasted the length of time Mr A says, and when TransUnion was notified, it worked promptly to resolve the issue and confirmed to Mr A it had done so.

As such I think £300, is fair compensation in the circumstances of this complaint. I'm satisfied this amount is in line with the level of distress Mr A has suffered and within our award ranges for situations such as this.

My final decision

My final decision is that I uphold this complaint and require TransUnion International UK Ltd to pay Mr A £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 December 2025.

Victoria Cheyne
Ombudsman