

The complaint

Mr M complains Equifax Limited are reporting inaccurate information on his credit file and haven't taken reasonable steps to verify the information being reported.

What happened

Mr M has complained about the accuracy of data being reported on his credit file by two companies, who I'll refer to as "B" and "T" – Mr M said they're reporting inaccurate information and that he's raised this with Equifax. But that Equifax have refused to provide any supporting documents submitted to them by the two companies to prove the accounts are being reported correctly.

Mr M says he received a notification to say that a credit agreement with B has been registered on his credit file, but he wasn't aware of a credit agreement nor any other agreement with B. Mr M says Equifax should be able to provide documentation from B and T such as Deeds of Assignments (DOA) or credit agreements detailing the legal and equitable interests associated with the accounts.

Mr M says while Equifax have raised disputes with B and T, this doesn't address Equifax's obligations under UK General Data Protection Regulation (UK GDPR) to ensure the data they process is accurate, relevant and up to date.

Mr M says the presence of potentially inaccurate data on his credit file could pose a significant risk of financial harm in a number of ways. Mr M has set these out to be:

- Potential financial harm – should he cease payments due to the creditors' lack of legal entitlement to receive them, the creditors may report missed payments to Equifax which would further damage his credit file.
- Reputational damage - the continued presence of inaccurate data may lead to a perception of financial irresponsibility, which could impact Mr M's dealings with current or future creditors.
- Emotional distress - the uncertainty and lack of resolution in this matter have caused undue stress and anxiety, compounded by Equifax's refusal to address Mr M's concerns adequately.
- Psychological stress - the prolonged dispute with Equifax has caused undue stress and frustration. Mr M says Equifax's refusal to adequately address his concerns and provide the requested documentation has left him feeling powerless and unsupported.
- Time and effort – resolving this issue has taken a considerable amount of time and effort which has included not only corresponding with Equifax but also with B and T.

Mr M wants Equifax to provide full disclosure of any documentation or evidence submitted by B and T to support the data they're reporting on his credit file. And if they can't provide this evidence, Mr M wants Equifax to remove these entries from his credit file. Mr M wants Equifax to compensate him for the financial harm, reputational damage and emotional

distress caused by their mishandling and failure to ensure data is being reported on his credit file accurately.

Equifax said they raised disputes with B and T in January 2024. As Mr M remained unhappy with the responses he received in relation to B's reporting of two accounts, Mr M continued to contact Equifax about this. B had confirmed the information they were reporting on Mr M's credit file was correct. But Equifax then raised further disputes with B following responses from Mr M, with the last response from B asking Mr M to contact B directly due to the complexity of his dispute in February 2024. At this point, Equifax said they hadn't received a response to Mr M's dispute about T's account reporting.

Our Investigator considered Mr M's complaint. In summary, he said Equifax are a Credit Reference Agency (CRA) so they're responsible for displaying credit related information on a credit file. So, it would be Equifax's role to raise any disputes about incorrect information with the data owner – which is what they did with both B and T. Our Investigator said B confirmed to Equifax that the information being reported was correct and that Equifax were waiting for a response from T. Overall, our Investigator didn't think Equifax had done anything wrong. Since our Investigator's view, Equifax provided T's response from January 2025 to Mr M's dispute. T essentially said the information they were reporting on Mr M's credit file about this account was correct.

Mr M disagreed. He provided a substantial response. I've summarised what I consider to be the key points in my own words:

- The lack of evidence that B and T are acting as credit providers under the Consumer Credit Act 1974 (CCA) – Equifax are displaying data allegedly provided by the two companies as “credit providers”. However, as suppliers of utilities, B and T are not inherently credit providers.
- In the absence of documents such as a credit agreement or a DOA to show B and T are offering credit, the reporting of alleged “debts” on Mr M's credit file is inaccurate and misleading. Mr M says the lack of supporting documentation further supports his position that the data displayed on his credit file is not only unverified, but potentially unlawful.
- Equifax failed to meet their verification obligations and have failed to take reasonable steps to verify the accuracy of data before it being displayed on their credit file – Mr M says while Equifax say they're not the data owner, it doesn't absolve their obligations under UK GDPR Article 5 (1)(d) to ensure the data displayed is accurate, up to date and relevant. Just relying on confirmation from B and T doesn't constitute reasonable measures to verify data accuracy.
- Equifax have failed to evidence a credit agreement between Mr M and B and T. Also, a DOA or other documentation proving B and T have absolute title to enforce any alleged debts should be provided.
- While B and T may ultimately be responsible for amending or removing this data, Equifax as a CRA, has a legal obligation to ensure the data they display is accurate.
- Continuing to display inaccurate data from B and T is causing Mr M significant harm and distress.

Because Mr M didn't accept the outcome, the complaint has been passed to me to decide.

I issued a provisional decision setting out the below:

I think it's important to firstly explain I've read and taken into account all of the information

provided by both parties, in reaching my decision. I say this as I'm aware I've summarised Mr M'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 discourtesy 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.

My understanding of Mr M's complaint

Firstly, I don't think Equifax fully grasped the issue Mr M raised with them – Equifax's internal notes show Mr M told them in January 2024 that B and T are reporting accounts as 'credit agreements' on his credit file. But he doesn't think he's signed credit agreements nor obtained any form of credit from B and T. So, he asked Equifax to either provide documentary evidence given to them from B and T relating to the reporting of the accounts on his credit file or to remove the data from his credit file.

Before I go into whether I think Equifax have acted fairly or not, I think it's important for me to point out that it seems Mr M's concern above stemmed from a notification he received telling him credit agreements were being reported on his credit file. The notification appears to have come from a website Mr M used whose services allow for customers to review their credit information for free. However, the credit file information is supplied to the website from Equifax. I can't comment on the website's actions or how they've chosen to characterise accounts being reported. Instead, I'll focus my decision on what Equifax did.

The Information Commissioner's Office's (ICO) guidance on credit and CRA's

The ICO are the UK's independent regulator for Data Protection and Freedom of Information. I've referred to them as I think it's appropriate to look at their rules and guidance in relation to credit and CRA's. The ICO's website sets out:

"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. They hold certain information about most adults in the UK... Most of the information held by the CRAs relates to how you have maintained your credit and service/utility accounts..."
The guidance then goes on to explain what a customer should do if their credit file is inaccurate: "If your credit file is inaccurate, you can raise your complaints with the relevant CRA you obtained your file from. However, the problem may lie with the original lender or organisation that supplied the CRA with the information so you will need to contact them instead."

The ICO's guidance also explains who is responsible for information on a credit file and sets out the CRAs, like Equifax's, responsibility to ensure the information being reported is correct. The guidance says "It is easy to see why people assume the CRAs are responsible for all the information that appears on their credit file. However, in reality, the lenders and telecoms and utility companies who passed the information to the CRA in the first place also have responsibilities for the information that appears on your credit file.

As a general rule, if the entry you are looking at has the name of a company on it, it's likely to be that company who is responsible for that entry. The CRAs cannot amend this data without the permission of that company. Having said this, we still expect the CRAs to take reasonable measures to ensure the information that is reported by lenders via their credit files is accurate."

Disputes raised by Equifax

Equifax's website provides an explanation of what they do when a query is raised about inaccurate information on a credit file. They explain they'll manage the dispute with the data supplier on the customer's behalf – which seems to be in line with the ICO's guidance where they refer to CRAs taking reasonable measures to ensure information being reported by lenders is accurate.

Equifax have supplied their internal notes of communication with Mr M. These notes show Mr M first contacted Equifax in January 2024. He said it had come to his attention that B and T have registered 'credit agreements' on his credit file, reporting payments on this basis. Mr M said he hadn't signed a credit agreement nor obtained any form of credit from these two companies. So, Mr M asked Equifax to supply documentation submitted to them at the time B and T started reporting this information on his credit file.

The evidence then shows each time Mr M contacted Equifax about the account with B, they raised this as a dispute with B. B then responded to confirm the information being reported on Mr M's account was correct. T also told Equifax in January 2025 that the data they were reporting for their account on Mr M's credit file was correct. So, what I think happened here was that Equifax were treating Mr M's communications to them as a 'typical' dispute – they felt he was simply saying the information being reported on his credit file was inaccurate. Equifax did what their website sets out which is they then managed the dispute on Mr M's behalf by asking B and T for their responses.

However, I don't think this was necessarily what Mr M wanted or was asking for Equifax to do – what he wanted was for Equifax to evidence documentation submitted to them by B and T at the time they reported the accounts on his credit file to show these accounts involved credit agreements. Mr M asked for Equifax to provide the requested documentation or remove the accounts from his credit file. Equifax eventually wrote to Mr M in March 2024 to explain that they aren't owners of credit agreement information, and that information is stored on their systems exactly as it is supplied to them by the data owners – in this case by B and T.

I haven't seen any evidence to suggest the ICO's guidance requires Equifax to verify the data being reported by B and T in the way Mr M has asked for. Information, such as account details and the accounts activity, for example the payment history, is passed to Equifax by the responsible data owners for it to be reported on a credit file. If Mr M wishes to provide evidence or point to particular guidance which requires Equifax to provide certain documentation to verify the information being reported by data owners on a credit file in response to my decision, I'd be happy to consider this.

At its core, I think Mr M was essentially saying B and T's data shouldn't be on his credit file if evidence couldn't be provided to substantiate the data. So, even though I don't think Equifax fully got to grips with exactly what Mr M was initially raising, and having considered the ICO's guidance above, I don't think it was necessarily inappropriate for Equifax to check with the data owners that the information they were reporting was accurate.

I say this because in the context of Mr M's complaint, Equifax don't own the data they report on – the data is owned by lenders and other third-party companies whose name is on the entry on the credit file. So, Equifax aren't responsible for the data provided on someone's credit report. But they do have a responsibility to take reasonable steps to ensure the accuracy of the data and investigate when someone raises a dispute. I'm satisfied Equifax did this when raising queries with B and T, resulting in both parties telling Equifax that the data being reported in relation to the accounts was accurate.

Mr M referred to Equifax being in breach of Article 5(1)(d) of GDPR. This Article says:

“1. Personal data shall be:

(d) accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that personal data that are inaccurate, having regard to the purposes for which they are processed, are erased or rectified without delay ('accuracy')”.

My understanding of this particular part of the law is Equifax are required to report true and accurate information on Mr M's credit file. But I'm not persuaded Equifax are reporting information they know to be inaccurate. I say this because as explained, they're relying on what the data owners have told them that what's being reported on Mr M's credit file about the accounts is correct.

Mr M has raised points about whether B and T are creditors or not and that these accounts are being reported on his credit file as credit agreements. Mr M also says Equifax have failed to take reasonable steps to verify the accuracy of the data before displaying it on his credit file.

Having looked at Mr M's credit file, both accounts are being reported under the heading 'utilities agreements' which seem to be in line with the services B and T provide. As per the ICO guidance, companies that provide services like what B and T provide can report information to CRAs. Even if I wasn't satisfied Equifax were reporting these accounts in the correct way, I'd need to be satisfied this had an impact on Mr M. However, I'm not currently satisfied there has been an impact.

As explained, Equifax raised queries with B and T who confirmed the data being reported on Mr M's credit file was accurate. So, I think Equifax took reasonable steps to check the information being reported by B and T is accurate. And from what I can see, B and T have confirmed the data is accurate. Overall, I don't think Equifax acted unreasonably.

Responses to my provisional decision

Equifax responded and said they didn't have anything further to add.

Mr M responded and I've summarised his points using my own words:

- In my provisional decision, I referred to B and T as utility agreements. However, in a previous decision, our service confirmed B are a credit provider, and so T's classification follows the same logic. Therefore, B and T must comply with the CCA 1974.
- Mr M said either B and T are credit providers – and in which case, Equifax must produce a credit agreement or a DOA. Or that they're not credit providers and in which case, Equifax should remove the entries immediately as Mr M says they cannot lawfully report debts on a credit file which is exclusively for credit agreements.
- Mr M referred to a case decided by the High Court (*RTM v Bonne Terre Ltd & Anor* [2025] EWHC 111 (KB)) which he says established that a data controller cannot simply rely on third party confirmations to meet their accuracy obligations. That data controllers must take proactive and reasonable steps to verify the legitimacy of data before processing it and that a regulatory framework, such as ICO guidance, does not override statutory obligations under GDPR. So, applying this ruling to Mr M's case, he said Equifax should obtain documentation proving B and T have a lawful basis to report these accounts on his credit file and Equifax can't satisfy their legal obligations just by asking B and T if the data is accurate.

- Under UK GDPR Article 6, all data processing must be based on a valid legal basis and my provisional decision fails to identify any such basis – if Equifax can't evidence a lawful basis for processing the information, such as a signed credit agreement, then they are acting unlawfully in processing and publishing the data. Mr M says Equifax should stop reporting these accounts immediately if they can't provide evidence that B and T have absolute title to report these accounts.
- Mr M reiterated the impact of these accounts being reported on his credit file and says it's affected his ability to obtain financial products and that it's caused him distress.
- Mr M asked that I answer whether B and T are credit providers or not as my provisional decision contradicts previous findings made by our service.

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 appreciate Mr M wants me to determine whether B and T are credit providers. However, while I acknowledge Mr M's request, to be able to reach a fair outcome on this complaint, I don't feel I need to make a finding on whether B and T are credit providers for the following reasons, which I'll explain.

I am required to determine what is fair and reasonable in all the circumstances of the case. In determining what is fair and reasonable I am required to take into account the factors in DISP 3.6.4R. DISP 3.6.4R(2) provides that an Ombudsman is required to take into account *"(where appropriate) what he considers to have been good industry practice at the relevant time"*. Good industry practice at the relevant time supports the addition of utility bills to credit reports. The Steering Committee on Reciprocity 'SCOR', a cross-industry forum made up of representatives from credit industry trade associations, credit industry bodies and credit reference agencies, set out their *"Principles for the Reporting of Arrears, Arrangements and Defaults at Credit Reference Agencies"* document. The document contains a forward from the ICO which explains that: *"The principles in this document have been drawn up by the credit industry in collaboration with the ICO."* A link to the SCOR document is provided in the ICO's current guidance on credit.

The SCOR document sets out that *"Any product which relates to the provision of goods or services before they are paid for can potentially be included in your credit reference file."* It goes on to specify that utilities such as gas, electricity, oil and water may be included in a credit report noting that *"Utility accounts that are paid monthly, quarterly or annually may be included on your credit reference file. Pre-paid metered accounts are not generally included."* Additionally, as referenced in my provisional decision, the ICO's guidance explains *"Most of the information held by the CRAs relates to how you have maintained your credit and service/utility accounts."* With all that said, it doesn't matter if B and T were or weren't acting as credit providers. This is because the ICO's guidance and SCOR document sets out that it's not just credit providers who report information on a credit file, this can be done by others such as those who provide goods and services before they are paid, and utility or service accounts can also be reported. And as explained in my provisional decision, having looked at Mr M's credit file, both accounts are being reported under the heading 'utilities agreements' which seem to be in line with the services B and T provide.

I put my thoughts on the SCOR document to Mr M. In summary, he said he doesn't think the SCOR document or the notion of 'good industry practice' displaces statutory duties under the CCA 1974 or the UK GDPR. And that the SCOR document was written by the credit industry

itself and not legislative instruments. I've thought carefully about what Mr M said. However, the SCOR document is drawn up by the credit industry in collaboration with the ICO (as I have set out above), so I do think it's relevant. Additionally, good industry practice at the relevant time suggests that utility bills can be reported on a credit report and this does not appear to be inconsistent with the UK GDPR or the CCA 1974. With that said, as explained in my provisional decision, Equifax are required to report true and accurate information on Mr M's credit file. And I'm not persuaded Equifax are reporting information they know to be inaccurate. I say this because they're relying on what the data owners have told them that what's being reported on Mr M's credit file about the accounts is correct.

Mr M says that if B and T are credit providers, Equifax would be required to comply with their obligations under the CCA 1974, which Mr M suggests would involve Equifax producing a credit agreement or DOA of these accounts. However there does not appear to be any explicit requirement in the CCA 1974 which suggests Equifax would be required to produce a credit agreement or DOA evidencing their absolute title to report debts, as Mr M has suggested. So, I don't think Equifax have acted unfairly in not producing evidence of the accounts.

I've considered the High Court judgement Mr M has referenced. However, I don't think it supports the points Mr M has suggested. The case deals with different issues to those in Mr M's complaint. The judgment referred to by Mr M found that personalised targeted direct marketing to a vulnerable individual, a recovering gambling addict, was unlawful where the individual's autonomous decision-making capability was no longer free, specific or informed within the meaning of Article 4(11) of the General Data Protection Regulation (2016/679). So overall, I don't think this judgment is relevant to Mr M's complaint.

Mr M says Equifax have not evidenced a lawful basis for processing the personal data in question. I've considered what Equifax's privacy notice said at the time when Mr M first raised his concern with Equifax about these two accounts in January 2024. The privacy notice I've referred to is called Credit Reference Agency Information Notice (CRAIN). This sets out that when handling personal data for the purposes of their core credit reference agency activities, Equifax rely on the legitimate interests and legal obligations lawful bases. Section 3 of the notice sets out an extensive table listing the various "legitimate interests" relied on before going on to include a paragraph explaining where they may also rely on the legal obligation lawful basis. I won't list all the details here, but I'm satisfied Equifax have evidenced their lawful basis for processing the relevant personal data in their privacy notice.

I put a summary of these points and a copy of the relevant CRAIN to Mr M. In response, Mr M said Equifax have not evidenced the lawful basis for processing. But the privacy notice sets out the two lawful bases which Equifax could rely on in processing the personal data. Although Mr M says it is not independent proof of a lawful basis, it is Equifax's privacy notice on the lawful bases which they may rely on when processing the data. And I am satisfied that this is sufficient evidence of Equifax's identified lawful bases.

Mr M says there is no statutory "legal obligation" requiring Equifax to publish disputed utility data. However, the legal obligations section of this document gives the following example as to when it would apply: *"This happens, for example, when a court, law enforcement agency or regulator makes a legally binding request or order for disclosure of personal data. It also happens when individual consumers exercise their rights, for example by requesting a copy of their own personal data from a credit reference agency."* None of those examples relate to the publication of data in the credit report, which instead appears to fall under the legitimate interest section of the privacy notice.

Mr M has made some points about the content of the privacy notice (e.g. that it is generic and that a documented balancing test for the legitimate interests has not been provided). If Mr M is unhappy with the content of the privacy notice he can raise a complaint with the ICO. Overall, for the purpose of this complaint, I'm satisfied for the reasons outlined in my decision that Equifax have acted fairly and reasonably.

I acknowledge the impact Mr M says this issue has had on him. However, as I haven't found Equifax have acted unfairly, I won't be recommending they do anything to put things right.

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 M to accept or reject my decision before 3 December 2025.

Leanne McEvoy
Ombudsman