

complaint

Mrs N complains that EQUIFAX LIMITED didn't protect her personal details. And it took a long time before it told her there was a problem.

background

In May 2017 Equifax's parent company was the subject of a cyber attack and the attackers gained access to some of Mrs N's personal details. Equifax told her the details included her name, address and telephone number. It offered her a free service for one year to monitor her credit file for any unusual activity. If she was still concerned at the end of this period it said it would extend her cover at no charge.

Mrs N didn't think Equifax had done enough. She was mainly concerned with the length of time it'd taken the business to tell her about the breach.

Our investigator could understand why Mrs N was upset and worried by the unauthorised access to her personal details. And thought Equifax had given Mrs N a poor service in the time it took to send her a response to her complaint. So she thought Equifax should pay Mrs N £100 for the trouble and upset it'd caused. But she thought the steps it'd now suggested to protect her in the future were fair and reasonable.

Mrs N wasn't happy about the amount of compensation our investigator had suggested, particularly in light of the report by the Information Commissioner's Office (ICO).

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

There's no dispute Equifax has made a mistake in the handling of Mrs N's personal data so we would expect it to make good any financial loss she's incurred as a result of its error. So I have to decide two issues. Has Equinox done enough? If not what more should it do? For ease of reference I'll follow the same headings as our investigator.

length of time it took for Equifax to notify Mrs N about the cyber attack.

Mrs N is unhappy about the length of time it took for Equifax to tell her about the breach. But I agree with our investigator it was reasonable for Equifax to identify the full extent of the breach and the impact on Mrs N before informing her. And I haven't seen sufficient evidence to conclude Mrs N became a victim of fraud during that delay.

any losses for becoming a victim of fraud due to the error.

I understand how worried Mrs N is that her personal details might be used by a fraudster. But I agree with our investigator that there isn't sufficient evidence to me to conclude she's become a victim of fraud due to the breach.

what if Mrs N becomes a victim of fraud at a later date?

Unfortunately, as our investigator said, Equifax can't give Mrs N an assurance this won't happen in the future. But it's offered her a number of free services to monitor her credit file and I think that's fair and reasonable in the circumstances. If Mrs N suffers any financial loss in the future as a result of this breach she can make another complaint to Equifax. And we would expect that organisation to make good any loss to her.

increased number of calls following the error.

Mrs N says she's received a significant increase in the number of nuisance calls since the breach. And as her phone number was part of the breach it's likely these calls have resulted from Equifax's error. She can register with the Telephone Preference Service (TPS) to try and reduce these. But in addition I think Equifax should compensate her for the trouble and upset this has caused her.

why does Equifax hold details about Mrs N and can these be deleted?

Because Equifax is a credit reference agency it's entitled to hold personal information on behalf of banks and other financial organisations. And for those reasons we can't ask it to delete Mrs N's details.

trouble and upset

Some of Mrs N's personal details were accessed by an unauthorised third party so I can see she would be upset and worried by this. It took a long time for Equifax to contact her after the breach. And she had to contact it three times after she raised her complaint. I've taken all those factors into consideration and I know she doesn't think £100 is sufficient compensation particularly in light of the ICO's report.

But our awards aren't designed to punish a business unlike the ICO. Instead we take a fair and reasonable approach, taking into account the individual circumstances of the complaint. In this case, I agree with our investigator that Equifax should pay Mrs N a sum of £100 for the time it's taken her to deal with its mistake and for the stress it's caused her. I feel this is a fair amount and in line with what we would recommend in other cases with broadly similar circumstances.

I can see that Mrs N initially accepted our investigator's recommendation and it appears that Equifax sent her a cheque for £100 compensation plus £20 for the CIFAS registration fee. As I've reached the same conclusion as our investigator there seems little point in her returning that cheque and Equifax issuing a new one.

my final decision

My decision is that in full and final settlement Equifax Limited must

- Provide Mrs N the free online services it's already offered for two years. If she wants to take this out with another provider it must cover the costs for this.
- Pay Mrs N £100 for the trouble and upset it's caused her (which it's already done).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 15 November 2018.

Linda Freestone
ombudsman