

complaint

Mr and Mrs D complain about the ID Aware service provided as part of their current account with Lloyds Bank PLC. They say that use of the service has adversely affected their credit rating, the information it produced was inaccurate, the service was not cancelled when they requested and that complaints about the situation have not had proper responses. (I know that Mr D has raised other concerns with the bank at various times, but this decision covers only issues about ID Aware.)

background

The ID Aware service provides users with information about their credit profile, including access to a credit report online and a quarterly credit statement. Mr D has disputed information on his credit report, but has been told that, after investigation with the lender, Lloyds was unable to amend it. He is concerned that ID Aware's involvement has resulted in searches being recorded in his credit report – and so has damaged his credit profile.

The adjudicator did not recommend that the complaint was upheld. She said that she could not find evidence Mr and Mrs D had asked for the service to be cancelled. But she said they could do that by downgrading the account. She said the terms of the service had explained how it worked and that it had been up to Mr and Mrs D to check the service suited them before agreeing to it. She referred to various adverse data on Mr D's credit file and said that she did not think ID aware was the sole cause of negative information on the file.

Mr and Mrs D asked for their complaint to be reviewed. They indicated that it was just the ID Aware that they wished to cancel: not other aspects of their account. They said there were other matters which concerned them, including several ID Aware did not know about.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Although Mr and Mrs D have expressed wider concern about ID Aware, some of their underlying concerns seem to be about the accuracy of particular pieces of information included in the reports produced by ID Aware. So it is important to understand its source. ID Aware compiles its reports from information provided by Callcredit, one of a number of credit reference agencies. In turn Callcredit obtains its information either from public sources (such as electoral rolls) or from private sources such as banks and credit card companies.

Looking at six specific issues Mr D raised about his credit report from ID Aware:

- he listed information from three different financial organisations' records which he had questioned with ID Aware. Generally ID Aware (or Callcredit) could not alter that information without the agreement of the relevant organisation. Once an account is defaulted, the record usually remains on a credit record for six years, even if an agreement is then made to make monthly payments. If Mr D thinks the information is inaccurate and should be amended, he would need to take that specific point up with the relevant financial organisation;

- he said the report gave (adjacent to his address) a date in August 2014, although he had moved in June. I think the August date was not intended to show when he moved to that address but was simply the date of the report;
- Mr D referred to information about the electoral roll, which showed a previous address. Electoral rolls are only updated periodically so may not always be entirely up to date. I cannot see that ID Aware or Lloyds is responsible if the information was slightly out of date;
- he referred to the number of searches by ID aware shown in the report. While I know that some types of searches might adversely affect credit worthiness, I think it is unlikely that one by ID Aware would. That simply shows that the person is monitoring their credit report. Other aspects of Mr D's credit record are very much more likely to affect his credit worthiness.

So I do not think use of ID Aware has adversely affected Mr and Mrs D's credit rating, and I have not seen evidence of any significant inaccuracies for which the ID Aware service should be held responsible.

Like the adjudicator I haven't seen anything to show that Mr and Mrs D asked to cancel the ID Aware service. I am not sure if it is possible to cancel ID Aware registration and keep this type of account. But if not, Mr and Mrs D could change to a different type of account.

Lloyds did respond when Mr D raised concerns about particular entries on the report, though was unable to amend it as he wished. If Mr and Mrs D have other outstanding concerns then they would need to put them to the relevant organisation.

Overall I cannot see that the ID Aware service provided by Lloyds has itself caused problems for Mr and Mrs D. Any issues with their credit worthiness seem likely to have other causes.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs D to accept or reject my decision before 21 May 2015.

Hilary Bainbridge
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