

complaint

Mr H complains that Equifax Limited failed to protect his personal data adequately.

background

In May 2017 Equifax's parent company was the subject of a cyber-attack and later that year Equifax wrote to Mr H about it. The attackers had gained access to some of Mr H's personal information. Equifax said the details that were compromised were limited to his name, date of birth and phone number. Mr H complained, saying how vulnerable that had made him. He also expressed concern that it had taken almost six months to inform him of the situation. He sought redress. Equifax said it would have been inappropriate to contact customers until it was clear what data had been accessed. It offered him a number of its own services free, so he could monitor any suspicious activity. But it didn't offer any compensation.

Mr H remained dissatisfied. He complained to us about the delay in initial notification of the incident and in dealing with his complaint. He thought he should be compensated, and Equifax should accept liability for any future fraud affecting him because of this issue. He wanted his records deleted from Equifax's database.

Our investigator said she thought it was reasonable for Equifax to wait to confirm the extent of the breach before contacting consumers. She said she hadn't seen anything to show Mr H had been a victim of fraud as a result, and he would be free to make a new complaint if that happened in the future. She thought the steps offered by Equifax were fair and reasonable, and explained the situation regarding consent for Equifax to have his data. But she accepted that Mr H had had more nuisance calls following the data breach. In all the circumstances she recommended that Equifax paid Mr H £100 in compensation for the trouble and upset caused by the situation.

Equifax accepted the investigator's view. Mr H didn't. He didn't think £100 was reasonable compensation and remained concerned that more data had been accessed than Equifax said. He said he was taking legal advice.

my findings

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

I know Mr H is concerned about how long it took before he was told about the data breach, and how long it took to respond to his complaint. But I don't think it was unreasonable for Equifax to make sure it had adequate and sound information about the breach before contacting consumers. However it did take some time before it responded to Mr H's complaint, which must have only increased his anxieties and frustration about matters.

Fortunately I haven't seen anything to suggest that Mr H has been a victim of fraud as a result of the data breach. And Equifax has offered free services to monitor his credit records. The investigator also told Mr H about CIFAS Protective Registration and said Equifax should pay for that for two years if Mr H wanted. I agree, But Mr H remains concerned about the risk of fraud in the future. It doesn't seem especially likely that any linked fraud would take place well over a year after the data breach, but if it did Mr H could complain again.

The main practical problem, apart from the understandable worry caused by the situation, seems to be a reported increase in nuisance calls (and emails). However Mr H's email address wasn't affected by the data breach, and we can't even be sure any such calls on his landline were linked to the breach, though they could be. But many people get a number of nuisance calls in any event, for a number of reasons.

I can appreciate that such calls are troublesome. And clearly the whole situation has been worrying for Mr H, and taken some time and trouble to reach this stage. But I haven't seen any evidence of actual financial loss to Mr H. Equifax has offered assistance with reducing the risk of any future problems. In all the circumstances, alongside the services already offered and CIFAS Protective Registration, I think the total of £100 proposed by the investigator is fair and reasonable compensation overall.

my final decision

My final decision is that I uphold this complaint. In full and final settlement Equifax Limited must:

- provide Mr H with the free monitoring services it has already offered.
- fund CIFAS Protective Registration for two years if Mr H wishes to have that.
- pay Mr H £100 for the trouble and upset it's caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 5 October 2018.

Hilary Bainbridge
ombudsman