

The complaint

Mr G complains that Experian Limited shared private information about an account with a utilities supplier with a third party.

What happened

Last year, Mr G switched bank accounts to a new business (C). During the account switching process, C's agent explained they wanted to ask Mr G some security questions to verify his identity. C asked Mr G to confirm his utilities supplier (P), the method of payment and regular payment figure.

Mr G went on to ask Experian to provide a copy of his statutory credit report. Experian asked Mr G for documents to verify his identity before it could provide the credit report. Mr G raised a complaint and Experian issued a final response explaining why it needed documents from Mr G. Experian also explained that any business that was reporting information on Mr G's credit file was obliged to notify him concerning how it shares information before entering into an agreement.

Mr G referred his complaint to this service and, in his submission, gave us some further details concerning the information obtained by C about his utility account and payment arrangements with P. Mr G explained that P had advised it didn't share information about his account or payments with Experian. In addition, Mr G also said he'd complained to his previous bank on the basis it may have recorded information about his utility account with P to Experian.

The investigator wasn't persuaded Experian had acted unfairly or made a mistake by providing information about Mr G's account with P to C to complete an identity check. The investigator also felt Experian had reasonably asked Mr G to supply documents to verify his identity before being able to send his statutory credit report.

Mr G asked to appeal and repeated that P had told him it hadn't share his information with Experian. Mr G added that the Information Commissioner's Office (ICO) had told him sharing details concerning direct debits wasn't allowed. Mr G said Experian needed to confirm the source of the information from P. As Mr G asked to appeal, his complaint has been passed to me to make a decision.

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 can understand why Mr G is frustrated at the information he's been given by various businesses. From Mr G's perspective, it ought to be a simple matter for Experian to show how the information concerning his payment arrangements with P were shared with C. And I can understand why Mr G feels there's more to discover in terms of the source of the information in question.

With that said, I think Experian makes a reasonable point when it says that to provide a copy of Mr G's credit file (that would include details of the accounts reported on it) it first needs to verify his identity by obtaining documents from him. Mr G's credit file contains private information about his financial arrangements, amongst other things, so before it can be released Experian has to ensure it's dealing with the right person. I'm satisfied Experian fairly asked Mr G for documents to verify his identity and its decision not to provide a credit report until that information has been received is reasonable.

Mr G's clearly been given varying information by the various businesses involved. I understand Mr G's been told by P that it didn't share any information with Experian. But I think it's fair to say that utility providers can record accounts on a customer's credit file, especially when payments are made via a regular arrangement like a direct debit. I wanted to get a better understanding of the way P shares information about customers with the credit reference agencies. I looked at P's website which contains a Privacy Information Notice setting out what information it shares about customers.

Under the section "*Who we share your personal information with*" P confirms it will provide personal information to third parties – including the credit reference agencies. Within the section "*Credit Reference Agencies*" P says "*We will also continue to exchange information about you with credit reference agencies on an ongoing basis, including about any debts not fully repaid on time. Credit reference agencies will share your information with other organisations.*"

So whilst I understand Mr G's explained he was told by P that it didn't share his information with Experian, it does appear that its Privacy Information Notice makes provisions for it to report information about customers to the credit reference agencies. I also note that P's Privacy Information Notice refers customers to Experian's website where its own Credit Reference Agency Information Notice (CRAIN) is displayed. Experian's CRAIN sets out the basis on which information is held and processed by Experian.

Section 4 of Experian's CRAIN, "*What kinds of personal data do credit reference agencies use and where do they get it from?*" sets out, amongst other things, the type of information it obtains from other businesses. Experian's CRAIN says:

"The data includes the name of the lending organisation, the date the account was opened, the account number, that amount of debt outstanding (if any), any credit available and the repayment history on the account, including late and missing payments." It adds "... *the data is provided by banks, building societies and other financial services providers...It is also provided by utilities companies, mobile phone networks, retail and mail order companies and insurance companies.*"

In this decision, I'm only looking at Experian's actions. I make no comment on what P has told Mr G about the way it shares information. But I'm satisfied that P's website confirms it does share information about how accounts are managed by customers with the credit reference agencies. And I'm satisfied Experian is able to record information it's given, like the account start date and regular payments on Mr G's credit file.

I think what's likely to have happened here is that when C carried out a credit search during the account switch application process it found the account with P on Mr G's credit file and asked him to confirm details to help verify his identity. I haven't seen anything that shows Experian has incorrectly shared information about Mr G's account with P or made a mistake in this case.

I'm sorry to disappoint Mr G but as I haven't seen any evidence that shows Experian made a mistake or acted unfairly I'm not telling it to do anything else. Should Mr G wish to obtain a

copy of his statutory credit report, Experian has provided guidance on how he can do that and what documents it needs. I leave it to Mr G to decide how to proceed.

My final decision

My decision is that I don't uphold Mr G's complaint about Experian.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 28 March 2024.

Marco Manente
Ombudsman