

The complaint

Mr U complains that Equifax Limited failed to correctly record his electoral roll information on his credit file. Mr U also complains that some of the entries on his credit file didn't reflect a Debt Relief Order (DRO) he was party to. Mr U complains that the information on his credit file has impacted his ability to open accounts with various businesses.

What happened

In December 2023, Mr U contacted Equifax to raise concerns about a number of issues with his credit file. Mr U pointed out that he wasn't recorded as being on the electoral roll at his current address. Mr U also raised concerns that two accounts that had formed part of his DRO didn't show as satisfied.

Equifax contacted the businesses that were recording unsatisfied debts on Mr U's credit file in the days after he raised his concerns. The first responded and asked Mr U to contact it directly to challenge the information it was reporting. After the email address was corrected, it was given to Mr U. The other business responded to confirm the account would be reported as settled going forward.

Equifax issued a final response on 26 January 2024 and upheld Mr U's complaint – paying him £200 for the distress and inconvenience caused. In its final response, Equifax said that Mr U's electoral roll information hadn't been correctly applied to its systems. A manual update was made and Mr U's electoral roll information was shown, confirming he was registered.

Mr U referred his complaint to this service and it was passed to an investigator. In his complaint submissions, Mr U explained that he is vulnerable and suffers with serious mental health conditions. Mr U's told us that the issues with the electoral roll information on his credit file caused him to believe he'd been declined for various accounts over the years. Mr U's also explained that he found the errors with his electoral roll information to be particularly upsetting.

Our investigator thought Equifax had fairly disputed the two accounts Mr U raised with it and followed the right process. They noted Mr U had other adverse information, like a County Court Judgement (CCJ) and DRO on his credit file that was likely to have had a greater impact than the electoral roll errors to the applications he made. But the investigator asked Equifax to pay Mr U a total of £350 in recognition of the distress and inconvenience caused.

Equifax asked to appeal as it didn't agree the settlement amount was fair. As a result, Mr U's case 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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

In line with what the investigator said, when a consumer raises a dispute about something on their credit file we'd expect Equifax to contact the reporting business. Here, I can see that Equifax did that. The first business asked Mr U to contact it directly and, after an initial mistake, its email address was supplied. The other business amended its entry to show the debt as satisfied. I'm satisfied that's fair in the circumstances and in line with what we'd expect.

There were errors with Mr U's electoral roll information and address format on his credit file. Equifax has explained that various businesses are reporting Mr U's address in a different format on his credit file, just using a road number. I note that Equifax merged the data reported across both address formats so all Mr U's accounts and electoral roll information should show on his credit file. But I think it's fair to say it took a reasonable amount of back and forth between Mr U and Equifax before the electoral roll and address format issues were corrected. Looking at Mr U's emails and contact with Equifax, I can see he was growing increasingly frustrated. In addition, despite Mr U providing the correct address format at the outset of his concerns, the incorrect shortened version was initially uploaded to his credit file with Equifax that took further contact from him to resolve. I'm satisfied that the issues Mr U has raised have caused an unnecessary level of distress and inconvenience.

In his complaint, Mr U's told us he's concerned that applications he's made have been declined due to the electoral roll issues with his credit file. I take Mr U's point and agree this information ought to have been correct without his involvement. But I think it's reasonable to note that there is other adverse information that is unconnected to the electoral roll problem on his credit file. And, like the investigator, I think it's more likely that they would've had a greater impact on the applications Mr U made.

I need to decide how to fairly resolve Mr U's complaint. I can see that our investigator has already provided details of why Mr U is vulnerable in their findings. The information is private in nature and I don't believe it's necessary to repeat it here. But I'm satisfied that, given what Mr U has told us, the problems with the electoral roll information has caused a considerable amount of upset and worry. And I think the issue could've been resolved more smoothly, especially if Mr U's address had been correctly updated in the first instance.

I agree with the investigator that an increase in the level of compensation paid to Mr U is a fair way to resolve his complaint. I'm satisfied that a payment of £350 more reasonably reflects the level of distress and inconvenience caused to Mr U and is a fairer way to resolve his complaint. So, I'm upholding Mr U's complaint and directing Equifax to pay him a total of £350 for the distress and inconvenience caused.

My final decision

My decision is that I uphold Mr U's complaint and direct Equifax Limited to settle by paying him a total of £350 (less any compensation already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 6 June 2024.

Marco Manente
Ombudsman