

The complaint

Mr Z complains that a third party's information was recorded on his Equifax Limited credit file.

What happened

Mr Z has explained he's had difficulty obtaining credit over recent years but was unclear why. In June 2024 Mr Z checked his credit file with Equifax after a mortgage application was declined. Mr Z found his twin brother's details recorded on his credit file, including an account that had some arrears.

On 24 June 2024 Mr Z contacted Equifax and asked it to investigate. Equifax checked Mr Z's credit file and found his twin brother, who shares the same initial for his first name, date of birth and partial address history, had accounts recorded. On 25 June 2024, Equifax applied a Notice of Disassociation to Mr Z's credit file and his brother's accounts were removed.

Mr Z's credit file was updated and Equifax says that he was able to open a new mortgage at the end of July 2024.

Equifax issued a final response to Mr Z on 15 August 2024 and upheld his complaint. Equifax explained that similarities in Mr Z and his brother's details led to information being incorrectly matched to his credit file. Equifax apologised and confirmed it had taken steps to remove Mr Z's brother's details from his credit file by applying a Notice of Disassociation. Equifax paid Mr Z £200 for the distress and inconvenience caused.

Mr Z went on to refer his complaint to this service and it was passed to an investigator. They agreed Equifax made a mistake but thought it had taken reasonable steps to resolve the issue. The investigator thought that by paying Mr Z £200 for the distress and inconvenience caused, Equifax had dealt with his complaint fairly and didn't ask it to increase the settlement or do anything else. Mr Z asked to appeal as he didn't agree the £200 compensation paid by Equifax fairly reflected difficulties he'd obtained getting credit over a three year period. As Mr Z 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've been reasonably brief in setting out the background above as all parties broadly agree concerning the timeline for Mr Z's complaint and what happened. Mr Z's explained he's experienced difficulties obtaining credit and opening new accounts over a period of around three years but didn't realise his brother's details were being shared on his credit file until a mortgage application was declined in June 2024. I can see that once the issue was raised with Equifax it took quick action to amend Mr Z's credit file – removing the disputed information. I'm pleased Equifax was able to resolve the underlying issue and that Mr Z's credit file now appears correct.

As I'm satisfied Equifax took the necessary steps to correct the issue Mr Z complained about I need to consider how to fairly resolve his case. Mr Z's told us that he believes his brother's accounts were recorded on his credit file for around three years. And Mr Z says that, in that time, he's been unable to open financial products like a basic bank account and that mortgage applications were declined. But I think it's fair to note that Equifax hasn't been able to specifically confirm when Mr Z's brother's account first appeared on his credit file. And Mr Z's credit report doesn't show any declined applications he made after a hard credit search was completed by a business.

In addition, Mr Z's credit file shows he was able to successfully apply for a credit card that has a limit of £4,050 in the three years before he complained. I can also see new utilities, communications, vehicle insurance and a new current account in the three years before Mr Z raised the issue with Equifax, some opened as recently as June 2024. So whilst I do accept Mr Z may've experienced some issues with his brother's details being recorded on his credit file, it does appear to me that he was able to open accounts and obtain services from businesses during this time.

Mr Z's sent us an email to show a mortgage was declined with a lender I'll refer to as H. But Equifax says it has no record of a credit search from H being carried out with it. Mr Z's sent us a copy of a credit report obtained via a third party that collates details from the three main credit reference agencies. The credit report dated 25 June 2024 shows that whilst H did carry out credit searches with the other two main credit reference agencies in May and June 2024, there's no record of one being carried out with Equifax. So whilst I understand Mr Z was declined for a mortgage with H, I haven't seen any evidence that shows the lender used Equifax when carrying out a credit search.

When Equifax responded to Mr Z's complaint it paid him £200 in recognition of its mistake and the distress and inconvenience caused. I'm sorry to disappoint Mr Z as I can see how strongly he feels in this matter, but in my view the £200 settlement Equifax has already agreed reasonably reflects the impact of its mistake, the distress and inconvenience caused and is a fair way to resolve his complaint. As I'm satisfied Equifax has already taken steps to resolve the issue raised and paid a settlement that is fair and reasonable in all the circumstances I'm not telling it to do anything else.

My final decision

My decision is that Equifax Limited has already agreed a settlement that is fair and reasonable in all the circumstances. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 19 December 2024.

Marco Manente
Ombudsman