

The complaint

Mr S complains that an application to supply internet was declined due to Equifax Limited's actions.

What happened

In February 2023 Mr S applied to a business I'll call V for an internet connection. But the application was declined and S has explained that V told him the decision was made because Equifax had failed his credit check. Mr S says V referred him back to the credit reference agencies to get an explanation of why his application had failed.

Mr S went on to contact Equifax about V's decision and raised a complaint. Mr S asked why Equifax was buying and selling his personal information and what details were shared with V that led to his application being declined. Mr S also asked how to remove all information from Equifax's systems and asked it to pay him £50 he lost out on as a result of his application being declined.

Equifax issued a final response on 30 April 2023 but didn't uphold Mr S' complaint. Equifax said that because Mr S hadn't generated a credit report it couldn't view the specifics of the information on his credit file. Equifax gave Mr S guidance on how to obtain a full copy of his credit file. Equifax also said it hadn't declined an application on V's behalf.

An investigator at this service looked at Mr S' complaint. They thought Equifax had dealt with Mr S' case fairly and didn't ask it to take any further action. Mr S asked to appeal and said he was unwilling to supply further personal information to Equifax in order to obtain his credit report. Mr S added that he doesn't feel Equifax has a right to hold personal information about him without his consent. Mr S added that the investigator hadn't told him how to remove all his personal information from Equifax's systems. As Mr S 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.

Mr S has quoted correspondence he received from V when his application to obtain internet was declined. I appreciate that V advised Mr S that a credit reference agency was responsible for his application being declined. But I haven't seen any evidence that shows Equifax processed an application for internet on V's behalf or that it was involved in its decision not to proceed. I appreciate that's at odds with what V told Mr S when the application was turned down. But I can only look at Equifax's actions in this decision.

Equifax's final response explains that businesses will ultimately decide whether to approve an application based on their own criteria. I think that's a reasonable point. Equifax may be contacted by a business to obtain information about an applicant's circumstances and financial situation at the time of an application. But it's generally then up to the business to decide whether to proceed based on the information obtained. I can see Mr S has tried to

get a better understanding of why V declined to proceed which is why he was referred to the credit reference agencies. But there's no evidence that shows Equifax was the credit reference agency V contacted to obtain information about Mr S or that it played a direct role in his application being declined. I'm sorry to disappoint Mr S but I haven't seen anything that shows Equifax treated him unfairly in terms of the application he made with V.

Mr S has questioned the basis on which Equifax holds information about him despite not receiving his direct consent to do so. The Information Commissioner's Office, the body that looks at how businesses handle information, gives the following guidance on its website:

Do the CRAs need my consent to hold all this information on me?

No. Data protection law doesn't actually require the CRAs, or any other organisation, to have your consent before they are allowed to process your personal data. They can use it without consent if they have a valid reason and as long as you have been told what is going to happen to your data. These reasons are known in the law as a 'lawful basis', and there are six lawful bases organisations can use.

So whilst I understand why Mr S feels Equifax doesn't have his consent to hold and process personal information in his name, I'm satisfied there is provision for it to do so taking the relevant laws it operates under into account. The Information Commissioner's Office's website contains a more detailed explanation of how credit reference agencies are obliged to hold and process information. Mr S may wish to look at the information provided to get a more detailed picture of what Equifax can and can't do with his information. But having taken the available information into account, I haven't been persuaded Equifax has made mistakes in terms of the way Mr S' information has been processed.

Mr S asked the investigator how to remove his information from Equifax's systems. As I've said above, Equifax doesn't require Mr S' consent to process his information. But, Mr S has the right to object to Equifax using his personal information for direct marketing purposes. Equifax can also ensure any information it holds relating to a membership, or account, held directly with it can be deleted on request. Details of the basis on which Equifax holds information and what can be deleted can be found on its website.

I can see Equifax has also advised Mr S what he needs to do to get a copy of his statutory credit report. In response to the investigator Mr S has pointed out that to do so requires him to supply personal information and that he's unwilling to do so. I understand Mr S may not be willing to supply these details to Equifax. But I think it's fair to say Equifax already has the identifying information it's asking Mr S to confirm. And Equifax has to ensure it's asking relevant security questions before sharing a credit report. I leave it to Mr S to decide whether he wants to obtain a copy of his credit report by answering Equifax's questions.

I'm sorry to disappoint Mr S but as I'm satisfied Equifax dealt with his complaint fairly I'm not telling it to do anything else.

My final decision

My decision is that I don't uphold Mr S' complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 7 August 2023.

Marco Manente
Ombudsman

