

The complaint

Mr S complains that Experian Limited did not remove information from his credit file after he told it that the information was incorrect.

What happened

In 2023, Mr S found an entry on his Experian credit file which didn't belong to him. Mr S contacted Experian to ask it to remove the entry.

Experian responded to say that after investigating, the third party responsible for reporting the entry, said it was accurate and would not agree to Experian removing it.

Mr S was very unhappy with Experian's response. He involved Action Fraud and the Information Commissioner's Office (ICO). Mr S said that the entry had been made fraudulently.

Our investigator issued his view on Mr S's complaint. He said that Experian had followed the rules set down by the data regulator – the ICO. The investigator said that Mr S needed to complain to the lender which sold the debt.

After Mr S disagreed with the investigation outcome, our investigator sent a second view. He noted that Mr S thought that it couldn't be right to say that in all circumstances Experian isn't allowed to amend data without the permission of the business reporting it – particularly if there is an allegation of fraud. The investigator explained that our service decides whether a business has acted reasonably. And that given the ICO's rules and as the third party didn't agree to the removal of the entry, Experian's decision not to remove the entry was a reasonable one. The investigator acknowledged that a court may have reached a different conclusion but said that it's not for our service to determine what a court would have decided.

Mr S provided a copy of his email to the ICO outlining the history of his concerns and the action that he'd taken.

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 sorry to hear about the difficulties which Mr S has faced through no fault of his own. But my decision is concerned with whether Experian acted reasonably once Mr S told it about the entry on his credit file. Our service doesn't regulate or supervise the businesses that we cover. It would be for the ICO to decide whether Experian has breached any of its rules once it concludes its investigation.

Although the surname for the entry reported by the third party is missing one letter, the entry is linked to the same address reported by Mr S's bank. Mr S also appears on the electoral roll at the same address. So, I don't think it should have been immediately obvious to

Experian that the third party entry was incorrect.

The ICO publishes guidance about credit reference agencies (CRAs) on its website. This says that where an entry on a credit file has the name of a company on it, “it’s likely to be that company who is responsible for that entry. The CRAs cannot amend this data without the permission of the business”.

The ICO goes on to say that it would still expect the CRAs – in this case Experian – to take “reasonable measures to ensure the information that is reported by lenders via their credit files is accurate”. So, I need to decide whether Experian took reasonable steps to establish the accuracy of the entry once it knew of Mr S’s concerns.

Experian contacted the third party twice to try and establish whether it had reported the entry accurately. Both times the third party confirmed that its entry was correct and that it would not agree to Experian removing it.

After Mr S said the entry had been made fraudulently, Experian referred his concerns to its team dealing with victims of fraud and provided information on how to protect himself.

Experian added a statement to Mr S’s credit file to say there may have been fraudulent activity and that it had asked the third party to investigate. The statement included a warning to take care when making an assessment which may include the disputed data. I think this was a fair way to handle things.

Mr S has provided a summary of information provided to the ICO. This gives some background to Mr S’s dispute with the third party and outlines the steps he took to try and resolve the problem. I can see that Experian gave the third party some of the details when it raised the second dispute on behalf of Mr S. So, I’m still satisfied that Experian’s response was reasonable.

Mr S says that the third party has now asked Experian to remove the entry which is good news. If Mr S finds that Experian hasn’t actioned this request, he can complain again. But for now, I’m satisfied that Experian acted reasonably and in line with the ICO guidance.

It follows that I don’t require Experian to compensate Mr S for any impact that the entry may have had on his finances.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 4 September 2023.

Gemma Bowen
Ombudsman