

Tracing Factsheet

“Tracing is a legitimate and useful activity—but it is also something that can cause anxiety and even harm to those who are the subjects of tracing enquiries and to others who get caught up in the process for some reason.

As tracing involves handling personal information, it must be done fairly and in compliance with the Data Protection Act.

We welcome the CSA’s initiative to de-mystify the tracing process, and to provide consumers with a guide to the way that reputable tracing agents go about their business, as well as information about what to do if things go wrong.”

Jonathan Holbrook

Head of Data Protection Practice UK

Information Commissioner’s Office

In excess of 20 million traces are conducted on an annual basis

Traces are carried out for a number of different reasons:

- To locate an individual who owes money
- To find lost family or friends
- To advise an individual of a windfall
- To assist companies in locating beneficiaries

What is a trace?

A trace is an attempt to locate an individual who needs to be contacted but appears to be no longer residing at their last known address, or with whom contact has been lost for some reason. These individuals are known as ‘gone-aways’.

Businesses may use a variety of different sources, including client information, publicly available databases and credit reference agency data in order to try and locate a new address for the individual.

How is this done?

When instructed to locate an individual, a business will commonly be provided with the name, date of birth and last known address of the subject. They will then utilise this information in conjunction with various sources in an attempt to confirm a new address.

Searches through Credit Reference Agencies such as Equifax, Experian and CallCredit are the most common tracing tools used by agencies. The name, date of birth and, in some cases, the last known address will be provided to the Credit Reference Agency,

which will then search its databases for a potential link to a new address and, if successful, supply this to the business.

There are certain circumstances where the business may not have the personal information of the individual they need to locate, for example when attempting to locate a debtor who owes a utility debt. Often utility companies only have the address at which the utility service was supplied and therefore contact is made with ‘the occupier’ in order to attempt to confirm if they are the debtor, or if the current occupier is aware of the debtor’s whereabouts.

What happens next?

The address may require further verification in order to determine if this is the correct address for the individual they are trying to locate. This must be done prior to disclosing any details of the purpose for the trace in order to ensure compliance with the Data Protection Act 1998.

The address can be verified through making contact by telephone, sending an introductory letter (known as a ‘soft’ letter) or contact card, or by a visit to the located address.





Telephone Contact

Telephone tracing is a widely-used method for locating 'gone-aways'. The process allows the business to contact a variety of people such as family members, friends, neighbours and employers in order to identify the residence of the trace subject. This process is legal and ethical, and should be carried out without causing upset or alarm to the person contacted. This process is legal and recognised by regulators as necessary; the CSA has also set clear trace guidelines for our members in our Code of Practice.

In the interest of protecting a customer's personal information, as well as ensuring compliance with the Data Protection Act 1998, the purpose for the trace should not be disclosed to any third parties without good cause.



The person being traced is John Doe and the business is supplied with an address of 1 Smith Street, however no prior communication has been made with John Doe at that address. Therefore, the business needs to verify that John Doe resides there. The business may then use publicly available information to contact the neighbour of 1 Smith Street to establish if John Doe is still resident.

Once the neighbour confirms whether or not John Doe is resident at that address, the business will end the call as they have verified whether the address is correct or not. The business will not disclose the purpose for the contact as there is no justification to do so.

If John Doe is resident at 1 Smith Street, the business will update their records and notify their client. If John Doe is no longer resident at 1 Smith Street, the business will need to resume their trace activity and attempt to identify a potential new address link via alternate sources.

Written Contact

A contact card is similar to a post card and it is used in a similar way to a 'soft' letter. It will be addressed to the trace subject and on the reverse, it will request contact, providing a telephone number for the person to call and a reference number they can quote. The business address of the company should be included on the contact card, and the card itself must be concealed in an envelope so that the purpose for the trace is not inadvertently disclosed to any third parties.

These forms of correspondence will be sent to the potential new address and in the majority of circumstances will be addressed to the trace subject. They are sent in an attempt to instigate contact from the trace subject and subsequently verify the address.

An introductory (or 'soft') letter is a form of correspondence which contains no personal details other than the name (and/or previous address) of the trace subject.



Dear Mr John Doe,

Re: Customer Name / Last known address

We are attempting to contact the above named person regarding a personal matter and we have been provided your address as a possible address for our subject / customer.

If you are the person named above please contact our office on telephone 0123 456 7890.

If, however, you are not the person named above, please accept our apologies for this contact. If you are able to supply us with information on where our subject may now reside, we would welcome contact from you so that we may update our records appropriately.

Yours sincerely

Mr John Doe
1 Smith Street,
Smithsville SM1 2SM

20 February 2012

Field Visits

When all other attempts to confirm the whereabouts of the trace subject have failed, a business may conduct a field visit. This will involve visiting the new address or last known address and making enquiries, which can include contacting a neighbour or other people in the area.

It is of prime importance to ensure that the trace subject's personal data is guarded at all times. The Data Protection Act 1998 regulates the processing of personal information and requires organisations to keep it secure. It also dictates that personal information should not be disclosed to third parties without appropriate authorisation from the data subject.



Mis-traces

Tracing is an essential activity. The debt collection industry has come under scrutiny on occasion for 'mis-traces', where information obtained in the tracing process is established to be incorrect and leads to contact being made with a person other than the trace subject. This can lead to frustration and distress for those individuals who are contacted in error. The Credit Services Association recognises that unjustified contact from an agency to an individual in relation to an outstanding debt can be distressing. It is for this reason that the CSA's own Code of Practice lays down strict rules regarding tracing activity, which all CSA members involved in tracing must abide by.

A trace can only be as good as the information obtained and unfortunately, because of the sheer volume of data being collated, mistakes can sometimes occur.

Below are examples of different scenarios that can cause an individual to be contacted in error:

Information is supplied to the Credit Reference Agencies by creditors (e.g. banks, credit card companies). When somebody applies for credit, the information that they provide to the creditor is then reported to the Credit Reference Agencies and appears on the

applicant's credit report. Responsibility for the accuracy of this information lies with the creditors reporting the information.

If incorrect information is reported to the Credit Reference Agencies, this may not be identified until the person views their credit report or until an organisation uses the information and it leads to erroneous contact. For example, if a debt collection agency is trying to locate a debtor, they may use Credit Reference Agency information; incorrect information on a person's credit report could lead to them contacting the wrong person. It would only be at this stage that the error can be identified and action taken to correct the information.

Where a creditor has reported incorrect information to the Credit Reference Agencies, only that particular creditor can remove or amend the information. The customer can also apply for a Notice of Correction by contacting the Credit Reference Agencies, which would be visible to potential creditors and can be used to alert them to any anomalies on your credit report or important information that is not already on there.

For further information about addressing such circumstances, please see the Frequently Asked Questions section of this document.

Scenarios that could result in erroneous contact

- if the name and date of birth of an individual is attached to another with the same name by mistake
- if a date of birth is entered into a particular database in a different format (e.g. 9/14/75; September 14th 1975)
- when only initials, rather than full forenames are given
- where an individual has been the victim of identity fraud



Frequently Asked Questions

Q. I am receiving correspondence for someone who does not live at my address, what can I do?

- A.** If you have received mail addressed to an individual who does not reside at your address, mark the envelope with “not known at this address” and return it in the post. Royal Mail will then make sure that this mail is returned to the sender, who should then update their records accordingly and take any necessary action.

If you are able to identify who the correspondence has been sent by, it can often be helpful to contact the agency directly. They will ask you a number of questions such as your name and date of birth, however, do not be alarmed as these questions are solely to confirm identity and once it is established that you are not the trace subject, the agency will be able to suppress your details from their systems and update their client's records in order to prevent any further contact being made by other agencies looking for the same individual.

Unfortunately, in the case of tracing for debt collection purposes, some debtors will try to avoid their debts by pretending that they are not resident and return mail. This leads to further tracing activity and can potentially result in a future mis-trace situation. It is therefore recommended that in a mis-trace situation you be as helpful as possible.

Q. How has my address been linked with an individual that has never lived at my address?

- A.** There are a number of reasons that can cause an individual to be linked to an address at which they have not lived. Credit Reference Agencies (e.g. Experian, Equifax, Callcredit) collate data from creditors (including banks, credit card companies, utility companies, insurance firms, etc.) which is then entered into a vast database. However, the data can sometimes be corrupted or be entered incorrectly (e.g. data of birth or initials mistyped). This can result in people being incorrectly identified as living at an address they have not lived at.

An address may also be linked to the incorrect individual if credit has been obtained using fraudulent information. For example, someone may apply for credit using another person's details with no intention of repaying the money obtained. As per the standard process, this information will then be provided to the Credit Reference Agencies. However, as this information is incorrect, it may eventually lead to the wrong person being pursued for payment of the outstanding balance.

Q. There is a search showing on my credit report but I have no connection with the company responsible for the search – why is this?

- A.** The company may have been searching the credit report of somebody with whom you have a financial connection. If you are financially connected to a person (e.g. joint bank account), then any company searching that person's credit report will be able to see yours as well. If that financial connection is no longer valid, then you will need to go through a disassociation process with the Credit Reference Agencies, which will eventually lead to the financial connection being severed.



Q. What can I do if the Credit Reference Agencies hold incorrect information?

- A.** Only the company that has reported the information to the Credit Reference Agencies can remove it. The Credit Reference Agencies themselves cannot remove the information unless requested by the company responsible for it.

If there is incorrect information listed on **your** credit file which is causing the contact at your address, then the Credit Reference Agencies will be able to advise you which company has placed this incorrect information on there. You can then contact the company in question and request that they have the incorrect information removed/corrected.

Credit Reference Agencies may also be able to apply a Notice of Correction to your credit report, which will be visible to potential creditors and can be used to alert them to any anomalies on your credit report or important information which is not already on there. You will need to contact the Credit Reference Agencies directly (please see below for their contact details).

If there is incorrect information on **another person's** credit file which is causing the contact at your address, then you will need to return the correspondence to the company contacting you marked 'not known at this address' and ideally contact the company to notify them that they have the incorrect address. Unfortunately, in the interest of data protection, the Credit Reference Agencies cannot share information about another person's credit file with you, which means that they are unable to advise the source of the inaccurate information. Therefore, the only way around this is to ensure that any companies contacting you in error are made aware of the error as soon as possible so that they can cease any further contact.

Alternatively, your details may have been used to fraudulently obtain credit. In this instance, because the information is on your credit file you will be able to establish the source. You can then contact the company responsible and have them investigate the fraudulent activity and, once established, ensure the incorrect information is removed.

The government recommend that you view your credit report on a regular basis in order to ensure that all the information on there is accurate and up to date. By checking your credit file, you will be able to see if there is any erroneous information held and have it corrected/removed.

Q. How can I view my credit report?

- A.** There are three Credit Reference Agencies that compile this information and produce credit reports. You can request your credit report or raise any queries using the following contact details:

Equifax Ltd Customer Service

PO Box 10036, Leicester, LE3 4FS Tel: 0800 014 2995 0333 321 4043
www.equifax.co.uk

Experian

Landmark House, Experian Way, NG2 Business Park, Nottingham, NG80 1ZZ Tel: 0844 481 8000
www.experian.co.uk/www/pages/home/contact_us_main.html

Callcredit Limited Consumer Services Team, PO Box 491, Leeds, LS3 1WZ Tel: 0330 024 7574
www.callcredit.co.uk/consumer.aspx

Q. Will my address be blacklisted because of this mis-trace?

- A.** No, there is no such thing as a blacklist. A debt will be registered only against the person who has taken out the credit and not against the property. The information reported by the creditor to the Credit Reference Agencies about the credit and any outstanding debt is done so entirely on the debtor's credit report. It should have no impact on your ability to obtain credit.

In circumstances where the debt is the result of fraudulent activity, then there may be adverse information on your credit report, because it is your details that have been used. In this situation, you should contact the source of the information to have the fraud investigated and also alert the Credit Reference Agencies to the fact.

Q. Who can I complain to about being the victim of a mis-trace?

A. Complaints regarding a mis-trace can be raised with the following organisations:

Credit Services Association

If the agency making contact with you is a member of the Credit Services Association, you can raise a formal complaint with them. This requires a complaint form to be completed which can be obtained from the CSA website (www.csa-uk.com).

Alternatively, you can request a complaint pack to be sent either by calling 0191 217 0775, by writing to Credit Services Association, 2 Esh Plaza, Sir Bobby Robson Way, Great Park, Newcastle upon Tyne, NE13 9BA, or by sending an e-mail to info@csa-uk.com.

Information Commissioner's Office

If you have already informed the tracing agency that the person they are trying to contact is not known at the address and they continue to contact you, then you can contact the ICO, who oversee companies' compliance with the Data Protection Act 1998. As such, they can investigate complaints relating to any misuse of your personal data. Their contact details are as follows:

Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF
Tel: 0303 123 1113



Credit Services Association

2 Esh Plaza
Sir Bobby Robson Way
Great Park
Newcastle upon Tyne
NE13 9BA

t 0191 217 0775
f 0191 236 2709
e info@csa-uk.com
w www.csa-uk.com