

The complaint

Mr A complains that HSBC UK Bank Plc has recorded a marker at CIFAS, the national fraud database.

What happened

Mr A says that he hasn't carried out any fraud and that the marker is affecting his ability to open an account or obtain other financial products.

HSBC said it wouldn't be removing the marker as Mr A had provided it with materially false information when he applied for an account in May 2018.

Our investigator didn't recommend that the complaint be upheld. She said that when HSBC reviewed Mr A's application it found adverse credit data for Mr A at two addresses he hadn't disclosed. One address had debt linked to it dated up to May 2017 and the other had debt shown up to January 2018. Mr A had said on his application form that he moved into his then current address on 1 January 2017 and that his previous address was from 5 April 2012. The adverse credit information was material to the account application, and she thought that Mr A had omitted this on purpose. HSBC had grounds to apply the CIFAS marker.

Mr A didn't agree and wanted his complaint to be reviewed. He said he didn't intend to hide the addresses and had moved about in the period before his application. He said that the application form from HSBC didn't allow him to include all his past addresses.

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 need to consider whether the report to CIFAS was made fairly. On this point, HSBC needs to have more than a suspicion or concern. It has to show it had reasonable grounds to believe that a fraud or financial crime had been committed or attempted and that the evidence would support this being reported to the authorities.

It has provided a copy of the application data that was input. And I can see that only two addresses were given by Mr A. And that there were available boxes to fill in up to five addresses. There is no evidence that he was unable to input the other addresses or that he raised this issue at the time. And he also only provided address details to HSBC where there was no adverse credit record. That's even though the reports of his adverse credit continued after the date he gave for his most recent address. I find that *most likely* to be more than a coincidence and that Mr A omitted these addresses so that he could attempt to conceal his poor credit record.

HSBC says that it applied the CIFAS marker because Mr A provided materially false information on an application. So, I've looked at whether HSBC was fair to apply the marker, based on the evidence it had, and the investigation it carried out. CIFAS guidance says the business must have carried out checks of sufficient depth to meet the standard of proof set

by CIFAS. This essentially means that HSBC needs to have enough information to make a formal report to the police. And that any filing should be for cases where there are reasonable grounds to believe fraud or financial crime has been committed, rather than mere suspicion.

Having done so I find that HSBC did have sufficient grounds to record the marker. And I won't be requiring it to do anything further. I know that this will be a disappointment for Mr A given what he says about the impact the marker is having on him.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 23 December 2021.

Michael Crewe
Ombudsman