

The complaint

Mr N complains that Accord Mortgages Limited trading as Accord Mortgages incorrectly recorded a marker against him on a fraud prevention database in connection with a mortgage application that he says was made in his name fraudulently. Mr N wants Accord to remove or alter the marker recorded against him.

What happened

In April 2023, Accord received a mortgage application in Mr N's name via a broker. This was to purchase Mr N's current home, which he was renting. The application was declined, and an entry was recorded against Mr N with CIFAS, a fraud prevention database.

Shortly after, Mr N's bank (B1) told Mr N that it was suspending his bank account with it. Mr N says this led him to check his credit file and he found fraudulent mortgage applications had been submitted in his name to several different lenders including Accord. Mr N also obtained information from CIFAS, which confirmed Accord had registered a marker against him for providing it with false documentation.

Mr N complained to Accord about the marker it had registered in his name. He told it that he hadn't submitted the mortgage application and he believed he'd been the victim of impersonation fraud.

Accord investigated Mr N's complaint and issued its final response on 22 May 2023. Accord didn't uphold the complaint. In summary, it said that it had been unable to verify supporting documents submitted to it. Further, it had carried out checks and wasn't satisfied Mr N had been impersonated. As a result, it didn't think it had acted incorrectly by recording a marker against Mr N with CIFAS.

Unhappy with Accord's response, Mr N referred his complaint to this Service. Our Investigator didn't think Mr N's complaint should be upheld, so Mr N asked for it to be reviewed by an Ombudsman.

I issued a provisional decision to give both parties the opportunity to comment before I finalised my final decision.

My provisional decision

In my provisional decision, I said:

“Mr N has brought other complaints to this Service about other lenders who he also says received fraudulent mortgage applications in his name at around the same time as Accord. These are being addressed separately, but I’ve taken the surrounding circumstances into consideration whilst investigating this complaint.

In considering a mortgage application, like all lenders, Accord will review the application and supporting evidence.

CIFAS is a fraud prevention database. Before making an entry with CIFAS, a firm must meet CIFAS’s “standard of proof” – which is that there are reasonable grounds to believe that a fraud or financial crime has been committed or attempted and that the evidence must be clear, relevant and rigorous.

Mr N has provided us with the information he received from CIFAS that shows Accord has recorded a marker against him for application fraud, because false documents were provided to support the mortgage application it received in his name.

The CIFAS record shows B1 has confirmed the bank statements Accord received in support of the mortgage application had been altered. Copies of these statements were also sent to Mr N, who accepts the statements had been altered. So, I think it’s clear that Accord had good grounds for recording a fraud marker for false documents – there’s no dispute that those documents were fraudulent.

I’ve then gone on to consider whether it was reasonable for Accord to record the CIFAS marker against Mr N. It should only have done this if it had reasonable grounds to believe that Mr N submitted, or was involved in submitting, the application and gave false information about his employment – rather than Mr N being the innocent victim of impersonation fraud as he claims.

Mr N told Accord, and the other lenders involved in the connected complaints, that the email address used for the fraudulent mortgage applications didn’t belong to him. He also told Accord in his email dated 4 May 2023 that telephone number used in the mortgage application wasn’t his.

However, Accord has provided us with information to show that it established Mr N had been using the email address and telephone number elsewhere, so it was satisfied both the email address and telephone number used for the application did belong to Mr N. Given this, I can see why Accord felt it had reasonable grounds to believe that Mr N submitted, or was involved in submitting, the application.

I can also see that Mr N has used this email address whilst communicating with this Service. This conflicts with what Mr N has said about the email address not being his.

Accord also established that, as part of the application, Mr N’s solicitor completed an in person identification check at its offices and confirmed the applicant was Mr N. I can’t see any reason for Accord to question the validity of this check. I also note from the Action Fraud report that the person Mr N said had impersonated him was 25 years older than him - so I think the solicitors completing this check would have noticed if someone much older than Mr N was pretending to be Mr N.

Mr N has also told this Service that the person who impersonated him was his carer, who:

“had full access to my personal information, ID, banking and emails as he was helping me with all my financial needs and medical needs for the past two years.”

I’ve taken this into consideration. However, if the email address used was Mr N’s, which it does appear to be, I would expect Mr N to have noticed if it was being used to make fraudulent mortgage applications. I say this because this was the contact email address given for Mr N to all of the lenders involved. So, I think it’s likely that Mr N would have received some communication about the mortgage applications. Further, one of the lenders in a connected complaint has established that email alerts would have been sent to this email address. So, I’m not persuaded Mr N wouldn’t have noticed if his email address was being used by someone else to submit the mortgage applications.

Having carefully considered all of information available to me, including all of the surrounding circumstances, I’m satisfied Accord had reasonable grounds to believe Mr N submitted, or was involved in submitting the application - so I don’t think it has acted incorrectly by registering the marker against him. It follows that I don’t find its decision not to remove or alter the entry was unreasonable, so I don’t require it to do so now.”

Responses to my provisional decision

Accord responded to my provisional decision and said it had nothing further to add.

Mr N responded to my provisional decision. He said he didn’t agree with my findings, and he reiterated his point that he’d been impersonated by his carer - who he said had access to his email and personal information such as his identification and address. But he didn’t provide any new information.

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.

After reviewing everything, including all of the surrounding circumstances and the responses I received to my provisional decision, I see no reason to depart from my findings in my provisional decision.

I remain satisfied Accord had reasonable grounds to believe Mr N submitted, or was involved in submitting the application - so I don’t think it has acted incorrectly by registering the marker against him. It follows that I don’t find its decision not to remove or alter the entry was unreasonable, so I don’t require it to do so now.

I do appreciate this is difficult time for Mr N and he will be disappointed with my findings.

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 N to accept or reject my decision before 22 April 2024.

Michelle Griffiths
Ombudsman