

The complaint

Mrs C has complained HSBC UK Bank plc placed a marker on her record indicating that she was a victim of impersonation despite her confirming she'd been the genuine applicant for a credit card with HSBC.

What happened

Mrs C applied for a credit card with HSBC on 8 February 2024. HSBC rejected this application as they felt there were some details which led them to think Mrs C may be a victim of impersonation. They wrote to her on 22 February to confirm this.

Mrs C was distressed by this and complained but felt she wasn't getting anywhere with HSBC and brought her complaint to the ombudsman service.

Our investigator confirmed he didn't think HSBC had done anything wrong as they felt they were taking steps to protect Mrs C. HSBC had already written to Mrs C that they'd be willing to remove the marker if she went into a branch with her ID.

Mrs C remained unhappy and has asked an ombudsman to consider her complaint. She believes she deserves compensation for how she was treated.

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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

I can see Mrs C made a genuine credit card application with HSBC in February. She was therefore surprised when it was turned down and HSBC confirmed they'd lodged a marker with CIFAS, the industry fraud body, that they believed she'd been a victim of impersonation.

I've seen HSBC's own application details so I can understand their concern. These details relate to a third unrelated person so I'm not in a position to share these with Mrs C. However, I believe HSBC took a decision to protect Mrs C against being a victim of ID fraud with her best interests at heart.

They immediately wrote to her to confirm this. Mrs C didn't raise her concerns with HSBC until July. I can see they gave her a final response on 28 August confirming they'd be happy to remove the CIFAS marker if she attended a branch with her ID. I don't believe this indicates that the service she got from HSBC was inadequate as I know she believes.

I'm not therefore convinced that HSBC's actions have inconvenienced Mrs C particularly. This won't limit her ability to make applications or obtain credit. I know she has strong feelings otherwise, but I don't think it would be fair to say HSBC acted incorrectly.

It's worth stating that this type of marker isn't the same as the type of CIFAS marker that can be lodged when an individual misuses their account.

My final decision

For the reasons given, my final decision is not to uphold Mrs C's complaint against HSBC UK Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 6 January 2025.

Sandra Quinn
Ombudsman