

The complaint

Mr T complains HSBC UK Bank Plc treated him unfairly when it recorded false application markers with Cifas (a fraud database). He'd like HSBC to delete the entries against him.

What happened

Mr T applied for an account with HSBC in July 2019 and again in January 2022, but after the bank completed its checks, the accounts were closed immediately after each application.

Mr T made a Data Subject Access Request in 2024 to see what information was held about him. He saw HSBC had recorded markers with Cifas for not disclosing addresses when applying for banking facilities with it.

Mr T contacted HSBC about this. He said he'd moved around, sometimes staying with friends and family but he'd provided his correct address at the time of the applications.

HSBC looked into this and forwarded information from Mr T to its relevant department to review. However, it considered the information it had filed to be correct and declined to remove it. Dissatisfied, Mr T asked us to take a look.

One of our investigators looked at the case. She reviewed HSBC's searches and noted that these found Mr T linked to addresses with adverse data recorded against him and during the time frame when he'd given the bank a different address. She concluded Mr T had deliberately withheld the information to improve his chances of getting an account. She also deemed HSBC not wishing to offer the accounts reasonable in these circumstances.

Mr T didn't think the conclusions were fair. He said he'd believed he'd given the bank correct information and provided further details to say when he'd moved between addresses. He added that he suffered from a condition, which caused him to suffer memory fog, which made it difficult to remember exact dates.

When the investigator didn't change her mind, the case was put forward for a decision by an ombudsman, as part of the second and final stage of our process.

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 come to the same outcome as the investigator and for broadly the same reasons.

Cifas is a fraud prevention database. Before making an entry with it, a firm must meet its "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.

As part of the applications, the bank asked Mr T if he had lived at more than one address in the last three years, and to give details. I've considered what he's told us about where he was and when, but it is the case that the bank's searches also found data linking him to other addresses during the relevant time, and which were the subject of adverse credit information. I haven't seen anything compelling to show that the data was or is wrong.

Mr T has said he suffers from brain fog, so he can forget dates, but he's also said he's sure of the information he provided. Here, the adverse information was linked to defaults and county court judgements, which aren't insignificant matters. And undisclosed address information was found during two separate applications. Based on the available evidence and weighing that, I think HSBC had enough to record the markers and decide it didn't wish to offer the accounts. So, I won't be asking it to do anything further. I appreciate this will be disappointing news for Mr T and I'm sorry this isn't the outcome he was hoping for, but this now completes our review of his complaint.

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 T to accept or reject my decision before 19 February 2025.

Sarita Taylor
Ombudsman