

The complaint

Mr A complains that TSB Bank plc reported him to a fraud prevention database in connection with a mortgage application.

What happened

In November 2024 Mr A applied to TSB for a mortgage to purchase a property. TSB declined the application.

Mr A later discovered that TSB had made a report about him to a fraud prevention database on the basis of falsified proof of income. He complained to TSB. TSB said it had made the report because it was unable to verify the income declared on Mr A's application.

Unhappy with that, Mr A brought his complaint to us. Our investigator didn't think the complaint should be upheld, so Mr A asked for it to be reviewed by an ombudsman. He didn't think it was fair that TSB should have made a report about him without giving him full details of what it had found, and he said he had given full and accurate information with his application.

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.

The fraud prevention databases play an important role in the financial services industry. They allow firms to share information about applications and products, so that firms know that future applications might need to be considered more carefully than might otherwise be the case. But given the impact a report can have on an individual, it's important a report is only made where there's sufficient evidence to justify doing so.

In this case, Mr A declared on his application that he had two jobs, one paying around £80,000 a year and one paying around £20,000. TSB carried out its usual underwriting checks, which included trying to verify the income Mr A declared independently – it was unable to do so.

It's reasonable for lenders to check information given in applications. TSB had concerns about what Mr A said – because it was unable to verify the income he had declared for itself, and because of the information Mr A provided. For example, he appeared to be only paying basic rate tax not higher rate tax on his second job.

I would generally expect that where a lender is unable to verify income for itself, it carries out further checks to understand why that is before reporting a marker – because there might be innocent explanations for a failure to verify. In this case, TSB didn't do that. However, I've thought about what it would likely have found if it had made further enquiries.

In doing that, I've taken into account evidence I've seen from another lender, which did make more detailed checks, in a separate case Mr A has also brought. I'm satisfied it's fair and

reasonable, and appropriate, for me to take into account all the evidence that's available to me. Having reviewed that complaint I didn't uphold it. And having taken that into account, I think it's more likely than not that if TSB had carried out further checks in this case it would – acting fairly – have reasonably concluded that there was sufficient evidence to make the report to the database.

For that reason I don't uphold this complaint. In all the circumstances I'm not persuaded that it was unfair for TSB to make the report at the time, or that the marker should be removed now.

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 A to accept or reject my decision before 2 December 2025.

Simon Pugh
Ombudsman