

The complaint

Mr T has complained about Capital One (Europe) plc recording a search on his credit file for a credit card application which he said he didn't make.

What happened

In 2024, Mr T applied for a credit card under one of Capital One's brands. A hard search was recorded on his credit file. The application was approved, and Mr T signed the credit agreement electronically. Mr T later called Capital One and confirmed he'd made the application himself, but asked to close the account as he felt the credit limit was too small.

Capital One closed the account and it was no longer open and active on Mr T's credit file. The hard search remained as a record of the application.

Mr T wanted the search removed. He complained about this over the following months. Capital One explained it would stay, as it reflected the application he'd made.

Mr T then claimed the application was fraudulent and said he hadn't made it himself. He came to our service. He wanted the search removed, an apology, and compensation.

Our Investigator looked into things independently and didn't uphold the complaint. They forwarded Mr T the recording of him calling Capital One about his application. Mr T confirmed that that was him and that he'd opened the account. But he said the hard search was registered at an address he'd never lived at, and he wanted it removed. As Mr T didn't agree with our Investigator's findings, the complaint's been passed to me to decide.

I sent Mr T and Capital One a provisional decision on 18 June 2025, to explain why I didn't think the complaint should be upheld. In that decision, I said:

Mr T has now conceded that he did make the application which he'd claimed was not made by him. But for the avoidance of doubt, I also find that Mr T made it given it used his genuine details, it was registered to his email address and phone number with contact going to Mr T directly, it passed its checks, and Mr T had confirmed it was his own application during recorded phone calls.

I understand that Mr T is unhappy that a hard search was recorded on his credit file, and that he couldn't find out the credit limit before the search. But it's normal for a business to not know what limit would be appropriate to offer until they've conducted a full search and had a proper look at the applicant. And Capital One are supposed to record such searches on the applicant's credit file. So it was appropriate for them to do so here.

Mr T now says that the address on the search is one he's never lived at. But based on the evidence I have so far, that seems to be untrue. I accept that Mr T may now be living at a different address. But the address in question is one he used to be at – indeed, it's the one his other account with Capital One was registered to before. And Mr T has confirmed that that other account was also his. I can see from the Land Registry that this property has had its name changed, and perhaps the change in name caused some confusion for Mr T. But it was a genuine address of his.

From what I can see so far, it looks like Mr T applied for this card through an online portal, and may have selected his old address instead of his current one, perhaps by accident. That would explain why the hard search was made at his previous address. It looks like this was then corrected before the agreement was signed.

So based on the evidence I have so far, I can't see that Capital One made any substantial error here. The application was not made by someone else, it was made by Mr T. The hard search was made at the address which Mr T seems to have provided, which was a genuine address of his, if an old one. And Capital One were supposed to record this search, and to keep it in place even when Mr T closed the account, to reflect the application he'd made.

Even if I concluded that the use of the old address was Capital One's error – and I currently have no basis on which to do that – I still can't see that any compensation would be due. We're not here to punish businesses for getting things wrong. I'd only award compensation if a business' error caused a significant impact. But here, even if the hard search had been at Mr T's current address rather than his old one, it would still have been on his credit file and had essentially the same effect. I've not been given any evidence to show that the address difference created any substantial issues, and since it was just a search which would've been there anyway, this was unlikely to have had much of any material impact.

Given the search was over a year ago, it's most likely dropped off Mr T's credit file now. We asked Mr T for a copy of his full file, but this wasn't provided. But it's most likely that the search is gone now, meaning there'd be nothing left to adjust anyway.

So based on what I've seen so far, it looks like Mr T did make this application, the address in question was one he'd provided and had lived at, and the search correctly reflected this. And it seems most likely that the address difference on the search wouldn't have caused any substantial impact and will have since fallen off anyway.

As such, I currently have no fair or reasonable basis on which to make any award.

I said I'd consider anything else anyone wanted to give me – so long as I received it by 2 July 2025. Capital One didn't add anything further. I'll talk about Mr T's reply below.

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.

Mr T said that he closed the account the same day he opened it, due to his dissatisfaction with the credit limit, and Capital One confirmed the account would close. He therefore felt he shouldn't have had a hard search on his credit file.

However, as I explained before, it was normal for Capital One not to know what credit limit was appropriate until they'd conducted a full search. And Capital One were supposed to record such searches on his credit file, even if Mr T then closed the account after opening it.

Mr T quickly closing the account meant that the account itself was indeed closed, and it meant the account itself didn't show as open or active on his credit file. But the search didn't need to disappear just because Mr T closed the account afterwards. The search was from his application. And, as we've established, Mr T did make this application, despite his later claims. Hence the search remained on his file. Indeed, the search would've been on Mr T's credit file even if his application had been rejected outright and the account had never been opened in the first place. Him closing the account didn't change that. I can see Capital One repeatedly explained to Mr T that, while the account was closed and inactive, the search would remain.

Mr T says he never lived at the address the search was registered to. He provided what he felt was evidence of this. But the letter he provided just said he'd been registered to his current address since 2021, which would tend to imply he lived somewhere else before that. And I can see that Mr T had an existing account with Capital One – under a different brand to the account in dispute – which he'd applied for in 2017. On that existing account, Mr T had had it registered to the now-disputed address in question. It looks like it was also an address on his credit file. So I think it was a genuine previous address of Mr T's. Again, I can see that this was a named property, and its name has been changed, which perhaps caused some confusion for Mr T.

While Mr T has declined to let us see his full credit file, from the screenshots he's sent I can see this previous address is listed on his report and is an address he could choose. Again, we've established that Mr T did make this application, and that this address was the one used, and I can see it's an address Mr T could select. So the most likely explanation is that Mr T simply picked his previous address rather than his most up-to-date one, perhaps by accident. Then the search correctly reflected the application he'd made. I understand Mr T doesn't like that conclusion, but it's the most likely explanation for what happened here.

I can see that this was then adjusted, so Mr T received his correspondence, and it didn't go missing. Further, as I've explained, the hard search was supposed to be there anyway. And it would've had essentially the same impact even if it had been at Mr T's more up-to-date address. I've not been given any evidence to show that the address difference caused any substantial issues, not least since this was just a hard search which was supposed to be there anyway. So even if I found that the use of the previous address was Capital One's error, there would be no basis on which to award any compensation, since the error most likely had no substantial impact. And since the search will have most likely fallen off Mr T's file by now anyway (again, he's not given us his full file to show this), there's most likely no entry left to adjust now.

So having reconsidered the case, I've come to the same conclusion as before – that I have no fair or reasonable basis on which to make any award here.

Lastly, Mr T said he was willing to take the matter to court. Mr T is free to reject my final decision and take Capital One to court. I'd recommend getting professional legal advice before commencing any court action.

My final decision

I do not uphold Mr T's complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 4 August 2025.

Adam Charles
Ombudsman