

The complaint

Mr J has complained HSBC UK Bank plc won't remove a fraud-related marker they've lodged in his name.

What happened

Mr J applied for an account with HSBC in June 2023. His application was rejected. He subsequently found he was having difficulty getting accounts opened and discovered a fraud-related marker in his name had been lodged by HSBC.

Mr J contacted HSBC but they wouldn't remove the marker as they believed Mr J had omitted information deliberately to mislead them when applying for an account with them.

Mr J brought his complaint to the ombudsman service, using a professional representative.

Our investigator reviewed the evidence in detail. He felt that HSBC had met the bar in showing that Mr J had knowingly attempted to omit an address from his application, where judgements had been registered against him. He wasn't going to ask HSBC to do anything further.

Unhappy with this outcome, Mr J's complaint has been referred to an ombudsman for decision. His representatives have specified they wished clear explanations:

- About the standard of proof considered and the method used for determining dishonesty;
- An assessment of HSBC's evidence as "*clear, relevant and rigorous*";
- How we have balanced the rights of Mr J and the prejudice he has suffered;
- Why HSBC did not carry out further investigations with Mr J allowing him to correct his error;
- Other factors involved in any determination.

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 and in so doing, hopefully respond to Mr J's concerns.

It is clear what the requirements are prior to lodging a marker. Specifically:

"There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted."

The evidence must be clear, relevant and rigorous.”

The CIFAS requirements have changed somewhat in the last few years and police reporting is no longer mentioned in this section. However HSBC must be able to provide clear evidence that an identified fraud was being committed and Mr J was involved.

I've seen the evidence provided by HSBC. This confirms Mr J made an application for an account with HSBC. The address information provided didn't match the information HSBC was able to see when reviewing Mr J's credit record. They rejected his application and also placed a CIFAS marker on his record in June 2023.

I've reviewed the information Mr J provided to HSBC. There's no debate Mr J was not truthful with HSBC. He has stated that this was a limited error, and he mistakenly put in 2020 as the date he moved to his current address rather than 2021 which he admits is correct.

I can see HSBC were able to check both Mr J's credit record and a previous application he'd made to HSBC.

Mr J's credit record confirmed he was not on the electoral roll for his current address until August 2021 so there was a likelihood that he was not being correct when he said he moved in on 1 May 2020.

If this were the only aspect of what happened, I may feel this could be considered an error. No damage would have been done as HSBC were able to see the full data on his credit record – which identified defaulted debts and County Court Judgements – along with Mr J's address history.

However, Mr J had previously applied for a different account with HSBC in July 2022. He then stated that he'd moved into his current address on 1 July 2019. This suggests to me that Mr J was clearly lying to HSBC to avoid providing further address data to HSBC.

I'm therefore convinced HSBC has sufficient evidence that Mr J has been trying to commit a crime and lying to HSBC. I won't be asking them to remove the CIFAS marker.

I know Mr J's representatives have raised the disproportionate effect they believe any marker is having on Mr J. I am purely deciding whether HSBC has met the required bar for sufficient evidence. In this case I believe they have.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 27 October 2025.

Sandra Quinn
Ombudsman