

## The complaint

Miss P complains HSBC UK Bank Plc has recorded her personal details with Cifas – a fraud prevention database - and won't remove them.

## What happened

Miss P discovered HSBC had registered two Cifas markers in May 2025, after having trouble opening accounts elsewhere.

Miss P complained to HSBC. It replied to say it was satisfied the marker had been applied correctly. Unhappy with this response, Miss P referred her complaint to our service.

An Investigator considered the circumstances. He said, in summary, HSBC had loaded the fraud marker correctly because Miss P had omitted a previous address from her application to HSBC for a current account.

Miss P didn't accept the Investigator's findings. She said the omission of the address was not deliberate and she didn't intend to mislead HSBC.

As Miss P didn't agree, the complaint was passed to me. I issued a provisional decision. I've set out my findings again below and they form part of this decision.

## Provisional findings

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Miss P's original complaint to HSBC concerned two application fraud markers. One registered in March 2023 and one in March 2024, for the same undisclosed address on applications for current accounts. The final response letter from HSBC only made reference to a single marker but I'm going to deal here with both, since that was Miss P's original complaint.*

*The markers HSBC has registered in Miss P's case are "application fraud" markers. To record a marker for "application fraud", HSBC must be able to show a number of requirements have been met, including:*

- 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.*

*Here, Miss P has made two applications to HSBC for a current account; one in March 2023 and one in March 2024. In both applications, Miss P did not disclose a former address at which a default was registered.*

*Miss P says she didn't disclose this address on the applications because it was her university accommodation, so she didn't consider it a permanent address. She says she didn't omit this address deliberately or in an attempt to mislead HSBC or gain a benefit.*

*Miss P's credit file shows two defaulted accounts, one at her current address and one at her university address. One was a current account, and the other was a credit card. Miss P says she doesn't recall having any defaulted accounts at her university address. If Miss P disputes any of these accounts, she'll need to contact the lenders involved directly.*

*HSBC's credit checks in both applications showed defaults for Miss P at the address she did put on her applications – the same address she's given our service. So, I don't find it likely that Miss P had failed to disclose her university address in an attempt to avoid the adverse information being discovered, when there was adverse information linked to the address she did provide.*

*Miss P was responsible for providing accurate information to HSBC as part of her applications. But it's not unusual for people to consider their university address as temporary accommodation and so I find the explanation Miss P has given for omitting the university address reasonable. And, I can't see why – if Miss P's intention had been to try and conceal the adverse information on her credit file – she would omit the university address but not the other address where there's a default registered. Overall, in these circumstances, I don't find it was fair for HSBC to have concluded Miss P had provided a material falsehood in her applications to gain a benefit at the time it registered the markers.*

*Miss P has told us the Cifas markers are causing her significant distress and financial hardship. Having considered the impact she's told us this has had on her - including the difficulty the marker has caused Miss P when applying for accounts and jobs which require financial background checks - I find £200 is fair reasonable in recognition of the distress and inconvenience caused.*

## **Responses to my provisional decision**

Miss P responded to say she accepted my provisional decision.

HSBC did not reply by the deadline we set.

## **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.

As Miss P has accepted my provisional decision and HSBC has not replied by the deadline, there's nothing new for me to consider. In these circumstances, I see no reason to depart from my provisional findings.

My decision remains that HSBC were not entitled to register the Cifas markers so it should remove them and pay Miss P compensation.

## **My final decision**

For the reasons set out above, I uphold this complaint.

To put things right, I require HSBC UK Bank Plc to:

- Remove the Cifas markers.

- Pay Miss P £200 in recognition of the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 2 January 2026.

Eleanor Rippengale  
**Ombudsman**