

The complaint

Mr K complains HSBC UK Bank Plc allowed an account to be opened in his name which he had no knowledge of and registered his details with Cifas – a fraud prevention database – and won't remove them.

What happened

In September 2023, an HSBC current account was opened in Mr K's name. Mr K says he didn't open the account and didn't become aware of it until he received a copy of his credit file much later.

In November 2023, payments were made into the account which HSBC later received reports were fraudulent. It tried to contact Mr K about these payments but didn't receive a response. HSBC ultimately decided to close the account and Mr K later discovered it had registered his details with Cifas.

In 2025, Mr K complained to HSBC. It responded to say it didn't agree that the account had likely been opened by someone other than Mr K and it was satisfied it had registered the Cifas marker correctly.

Mr K referred the complaint to our service. An Investigator considered the circumstances. She said the evidence indicated Mr K had opened the account himself. And she thought the Cifas marker had been added fairly in the circumstances.

Mr K didn't accept the Investigator's findings. He said he thought his details might have been obtained when he signed up for an investment platform, he now thinks might have been a scam.

As Mr K didn't agree, the complaint's been passed to me to decide.

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.

It's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

Account Opening

HSBC received an online application for this account in Mr K's name on 25 September 2023. This contained personal information matching Mr K's such as his name, date of birth and address. A copy of Mr K's driving licence was provided, along with a selfie to verify Mr K's identity.

Following our Investigator's findings, Mr K said he'd provided a copy of his driving licence and a selfie as part of the sign-up process for an investment platform he said he'd found on social media. Mr K couldn't provide evidence of providing his details or tell us specifically when this happened. But said it would've been around the same time as the HSBC, and other, accounts were opened.

I find it unusual that Mr K hasn't mentioned this to either HSBC or our service prior to receiving our Investigator's findings. But I don't think it makes an overall difference to the outcome of Mr K's complaint. It might account for how a third party could have had enough personal information and a copy of Mr K's identification. But HSBC has told us the selfie would have to be done in real-time and a previously taken photo wouldn't have been accepted. So, I don't think what Mr K's now told us about the investment platform sufficiently demonstrates how the account could have been opened entirely without his involvement.

Several cash withdrawals were made on the account. Cash withdrawals usually require the use of the card and PIN. The card and PIN – like other communications – would have been sent to the same address the bank held for Mr K, which he's confirmed as genuine. So, it's not clear to me how someone who had obtained Mr K's details via some sort of scam would also have access to Mr K's address in order to access the card and PIN. And, I don't find it likely someone would arrange to pay the disputed amounts into Mr K's account without also being confident they would be able to access them there.

There were also payments to and from the disputed HSBC account to other accounts in Mr K's name. Mr K says that some of these accounts were also opened fraudulently. But there's limited evidence of Mr K having reported those accounts as fraudulent to the other financial businesses involved and Mr K says he doesn't intend to pursue matters about the other accounts for now, which I find unusual. Mr K has provided evidence which appears to suggest that someone else tried to obtain a copy of his credit file. But, given all the available evidence in relation to the HSBC account, and that this attempt took place several months after the HSBC account was opened, I don't find this makes a difference to my findings here.

Overall, I'm not persuaded the HSBC account was – more likely than not – opened without Mr K's involvement.

Cifas

The marker HSBC has registered in Mr K's case is a "misuse of facility". In order to record a marker for misuse of facility, 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, Mr K's account received two payments which HSBC later received fraud reports for. HSBC tried to contact Mr K by phone and by writing to him.

It's unclear whether the telephone number on the application is Mr K's genuine phone number. Our Investigator asked Mr K to provide his phone number, but he didn't respond to this question. So, it's possible HSBC weren't contacting the right number for Mr K. Either way, HSBC also wrote to the address on the account which Mr K has confirmed was the correct address for him. So, I'm satisfied, in the circumstances, HSBC took appropriate steps to ask Mr K about the transactions on his account.

HSBC didn't receive a response from Mr K to these queries about the payments. So, based on the information HSBC had at the time – which was that Mr K had received payments into his account which were reported as fraudulent and as Mr K hadn't provided anything to substantiate his entitlement to the funds – I don't find HSBC made a mistake in registering the fraud marker.

Mr K says he has no knowledge of this account and the activity on it. But I've already explained why I don't find that plausible in the circumstances – particularly given the use of Mr K's address and the card and PIN for the account. So, I find, on balance, Mr K was aware of the activity on this account and that the payments were, or might be, fraudulent.

It's possible that there are other details here which Mr K has been reluctant to disclose because of the impact he thinks this might have on his complaint. But based on what Mr K has told us, either he was involved in facilitating the payments into this account or he allowed the account to be used for receiving the payments. In either of those circumstances, I'm satisfied HSBC would be entitled to register the Cifas marker.

Mr K has told us the Cifas marker is causing him distress and inconvenience – including impacting his ability to manage his finances and affecting his mental health. I'm sorry to hear that's the case but as I've found the marker was added correctly, I don't find HSBC need to remove it.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 21 May 2026.

Eleanor Rippengale
Ombudsman