

## **complaint**

Mr D complains that TSB Bank plc reported information about him to a fraud prevention agency in connection with a mortgage application. He also complains that it didn't tell him about this when he asked it later to send him all the information it held about him.

## **background**

I set out the background to this complaint by way of a provisional decision – a copy of which is attached and forms part of this final decision. I also explained why, while I didn't propose to require TSB to remove the entry it had made with the fraud prevention agency, I thought it should pay Mr D some compensation.

I invited Mr D and TSB to let me have any more comments or evidence they wanted me to consider before I made my final decision. Mr D said he accepts my provisional decision. Despite reminders, TSB didn't reply.

## **my findings**

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

Neither party has disagreed with my provisional conclusions or asked me to take anything else into consideration. So I confirm my provisional decision.

## **my final decision**

For these reasons – as well as those set out in more detail in my provisional decision – my final decision is that TSB Bank plc should pay Mr D £200 in settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 23 January 2020.

Janet Millington  
**ombudsman**

## **copy provisional decision**

### **complaint**

Mr D complains that TSB Bank plc reported information about him to a fraud prevention agency in connection with a mortgage application. He also complains that it didn't tell him about this when he asked it later to send him all the information it held about him.

### **background**

In late 2014, Mr D applied for a mortgage with TSB. TSB declined his application and recorded an entry for application fraud with CIFAS, a fraud prevention agency.

Since then, Mr D says applications he has made for financial products have been turned down. In 2016, he made a subject access request to TSB. He asked for all the information TSB held about him. TSB said it held no information about him or his mortgage application.

In 2018, after another loan application was rejected, Mr D contacted CIFAS. It told him about the entry and gave him a copy of it. Mr D thought the entry was a mistake, so he complained to TSB and then to us.

TSB said it would review the entry if Mr D could provide a letter or other evidence from Her Majesty's Revenue & Customs (HMRC) confirming his income from the time of the mortgage application. He did so, but TSB said the information was significantly different from that on his payslips – so it wouldn't remove the entry.

Our investigator concluded that TSB hadn't done anything wrong, and it had been fair in making the entry it had with CIFAS.

Mr D didn't accept that conclusion and asked for it to be reviewed. He said, in summary, that TSB had told him in 2016 it couldn't find any information about his mortgage application, so it was unclear how it had now managed to produce some of it and this was an infringement of his rights. He also said he had been both self-employed and in full-time employment in 2014, so all his earnings weren't reflected on payslips. He thought TSB hadn't justified making the entry, so it should be removed.

### **my provisional findings**

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

Lenders should only record this type of entry with CIFAS and other similar organisations where they have very good grounds to do so. TSB recorded the entry in question here for "application fraud". The entry says it was made because false documentation (a wage slip) was provided, and sets out the checks TSB did. Mr D says his employer had made a mistake with one of his payslips, but he provided TSB with a corrected version.

TSB told us it would review the entry if Mr D could provide satisfactory evidence of his income from around the time of the application. I think that was a reasonable step for it to have taken, although I would expect it to make these sorts of enquiries before making a fraud entry, rather than after.

Nevertheless, I'm satisfied that TSB has since considered the additional evidence Mr D has provided. That evidence included documents from HMRC, payslips and bank statements. TSB concluded that the payslips didn't match the tax calculations (SA302s) from HMRC. There were significant differences. I don't think that what Mr D has said about his employment status explains this.

In all the circumstances, I think TSB's decision not to remove the entry was reasonable. However, I think it should have told Mr D about the entry sooner.

Mr D asked TSB for the information it held about him in 2016. He was entitled to that information, and I see no real reason why TSB didn't give him what it had. Instead, it told him it couldn't find anything at all. It has told us it did that because the entry relates to fraud.

Businesses can sometimes withhold certain information – for example, if it is about the prevention, detection or investigation of a crime. But this sort of information should only be withheld to the extent that disclosing it would be likely to prejudice any investigation. It is difficult to see how giving Mr D this information could have prejudiced anything. There was no ongoing investigation. And he could find out about the CIFAS entry TSB had made by contacting CIFAS itself – as he ultimately did.

I don't consider that TSB's mistake means I can fairly require it to remove the fraud entry. But I think its failure to provide Mr D with the information he'd asked for, and to which he was entitled, caused him unnecessary inconvenience and upset for a number of months when he couldn't understand why his applications for credit weren't going as smoothly as he might have expected. I think Mr D should fairly receive some compensation in recognition of that. I assess a fair award at £200.

### **my provisional decision**

My provisional decision – subject to any more evidence or arguments I receive from Mr D or TSB by 19 December 2019 – is that TSB Bank plc should pay Mr D £200 in settlement of this complaint. I don't propose to make any other order or award.

Janet Millington  
**ombudsman**