

complaint

Mr R complains that Tesco Personal Finance PLC unfairly registered information about him on fraud prevention databases.

background

Mr R opened a credit card account with Tesco. A couple of weeks later, Tesco asked Mr R to provide verification of identity, which he did by sending copy documentation including a copy statement for his current account.

Tesco says that, when it checked with the current account provider, it discovered that transactions within the copy statement had been falsified. It therefore told Mr R that it was closing his account, and registered information with fraud prevention databases.

Mr R told Tesco that the copy documentation was asked for and provided after Tesco had already given him the credit card, and only as evidence of his identity, so Tesco was wrong to claim that he had provided a false bank statement in support of his application.

On that basis, Mr R said that Tesco was also wrong to register information with the fraud prevention database in the category relating to application fraud. Mr R asked Tesco to remove the registration and pay him compensation.

Tesco did not consider that it had acted wrongly and so the matter was not resolved. Mr R brought his complaint to this service, where an adjudicator investigated it. From the evidence, the adjudicator considered that Tesco's actions in closing the account and registering the information had not been unreasonable or unfair. In view of that, the adjudicator did not recommend that the complaint should succeed.

Mr R did not agree and said, in summary:

- He doesn't dispute that Tesco was entitled to close his account, but he objects to the information it registered about him and that is the focus of his complaint.
- He only provided the copy statement as proof of his address, and not for the transactions on it.
- His application had already been accepted, and he had used the card. So the application had finished and there could not, therefore, have been any application fraud. If Tesco later reviewed his account and asked him to provide information, that was a separate matter.
- His solicitor has already made the point that Tesco has not suggested that anything provided by him prior to the opening of the account was fraudulent or defective.
- It follows that he still regards the information registered by Tesco as being incorrect. This has marred his credit score and put him to a lot of expense, for which he should be compensated.

my findings

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

Mr R applied for the account online and Tesco made the checks shortly after opening the account, to verify the information Mr R had provided in his application. I don't, therefore, accept Mr R's view that the checks were nothing to do with his application.

I'm satisfied that Tesco received information from Mr R's current account provider, indicating that Mr R had provided a copy statement that contained false transaction entries. Whilst the copy statement had been provided as proof of address, I don't accept that this means Tesco had to ignore the false transaction entries.

In all the circumstances, I find that the steps taken by Tesco were not unfair or unreasonable. So I do not consider that it must remove the registration or compensate Mr R.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 13 June 2016.

Jane Hingston
ombudsman