

complaint

Mr O complains that Barclays Bank Plc has reported him unfairly to the Credit Industry Fraud Avoidance Scheme ("CIFAS"). Mr O wants inaccurate information to be removed from his credit file.

background

In 2013 Mr O made an application to Barclays for a buy to let mortgage although the application was withdrawn. Recently Mr O made another mortgage application and found out that a CIFAS marker had been registered against him for application fraud. Mr O says that he formerly owned a rental property which he sold in 2012. Without his knowledge a utility company had lodged a credit marker on the property. Mr O says that this has been removed

Mr O says at the time he made the mortgage application he was only asked about residential properties and not rental properties. Mr O also says that he didn't know that the adverse credit was on the property and if so he would have cleared it prior to making the application.

Barclays said that it would investigate if an error had been made if Mr O sent it a copy of the credit file and a letter from the utility company saying that the marker was registered in error. Our adjudicator didn't recommend that this complaint should be upheld as he felt that Barclays hadn't done anything wrong. He felt that the evidence was that on Mr O's application there was an undisclosed property which had a default marker placed by a third party and it was fair for Barclays to report this to CIFAS. Mr O asked for a review.

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 O made an application for a mortgage in July 2013. The application asks questions about his credit history and whether Mr O has had a default registered against him to which Mr O answered "no". But Mr O did have a default registered against him at an address I shall call "X". Mr O says at the time of the application he never lived at X but it was a rental property owned by him and sold in 2012. Mr O says that he was unaware of the adverse marker until his broker brought it to his attention and he had the adverse marker removed. Mr O says it related to a dual fuel account and whilst he paid the gas part he hadn't paid the electricity but he says *"it was eventually paid and all adverse notes removed"*.

As I understand it Mr O appears to confirm that there was undisclosed adverse credit registered against him when he made the application. I note that Mr O has produced a recent credit report that doesn't show this default. I don't know why that is but it is accepted both by Barclays and Mr O that there was a default registered against him at one time at address "X". As Mr O said in his application for a mortgage that there wasn't a default registered against him, I don't believe that Barclays has acted unreasonably by referring this to CIFAS as application fraud. So, I can't say that the CIFAS maker should be removed and I can't fairly uphold this complaint. I note that Barclays has offered to remove it if it can be shown that the utility company registered the marker in error but I have not seen any evidence that it was registered in error.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 12 January 2019.

Gerard McManus
ombudsman