

complaint

Mr O complains HSBC Bank Plc won't remove information it passed to the Credit Industry Fraud Avoidance System ("CIFAS").

background

Mr O had a current account with HSBC. In June 2017 a cheque was paid in for just under £5,000. A few days later HSBC found the cheque wasn't genuine. It reversed the credit, closed the account and passed information about the matter to CIFAS.

Mr O accepted that HSBC could close the account, but didn't think it was fair for it to pass information about the matter to CIFAS. He explained that he was the innocent victim of attempted fraud. He complained to HSBC.

HSBC said when Mr O was asked about the cheque he said he was expecting it, and that it was from his uncle. And later Mr O denied having any information about where the cheque came from. Because of this HSBC thought it was correct to pass information about what happened to CIFAS.

Mr O didn't think this was fair, so he brought the complaint to our service. He said, in summary, that:

- his debit card was stolen, he was the victim of identity theft, he didn't pay in the cheque, and doesn't know who did;
- he received a call from someone claiming to be his uncle saying he was paying money into his account to buy a car, but ignored it as he had an exam that day; and
- he called HSBC when he saw the credit, explained he was expecting a cheque from someone pretending to be a relative, was under duress from the person pretending to be his uncle because they knew where he lived, and had the stress of facing exams.

The investigator thought that what Mr O said had happened had changed over time, and that some of the things he'd said didn't add up. So she didn't think it would be fair to ask HSBC to remove the information registered with CIFAS. Mr O didn't agree, so the complaint has been passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've come to the same conclusion as the investigator, for the same reasons.

I think Mr O's story has changed as time has gone on. He went from expecting the cheque from his uncle, to not knowing anything about it, to someone pretending to be his uncle saying he was paying a cheque in so he could buy a car. He said in his complaint to HSBC that he called HSBC when he noticed his account was blocked, but he said in his complaint to our service that he called HSBC when he noticed the money in the account. Because of these inconsistencies I don't think I can rely too heavily on what he's said.

In any case, I don't think what Mr O has said is plausible. I say this for the following reasons:

- Mr O says his card was stolen. He's said it was locked away with his wallet. There's no explanation for how it could've been taken. And it wasn't reported stolen until after the account had been blocked because of the counterfeit cheque;
- if someone paid the cheque into Mr O's account without his consent, it's unclear how they could've accessed the money. Even if they had Mr O's card, there's no explanation for how they'd have known his PIN. And cash withdrawals are limited - usually to £300 a day - which would've made using a cash machine impractical. There's also no suggestion that Mr O's online or telephone banking security was compromised;
- if someone did steal Mr O's card and use the details to deposit the cheque, they also needed his phone number to be able to call him. This suggests it was someone who knew him. And it seems unlikely a thief would call pretending to be a relative, a charade I think someone would easily see through, and explain what they'd done;
- Mr O has said (although not consistently) that he called HSBC when he noticed the credit to his account. The money from the cheque showed as a credit to Mr O's account on 9 June 2017. I can see from his online banking history he logged in a number of times from 9 June 2017 until 13 June 2017, when he called HSBC. Bearing in mind his balance before the credit was £33, I think Mr O would've noticed the change in his balance sooner; and
- alternatively, if Mr O called HSBC because the account had been blocked (as he's also described) it's unclear how he knew it was blocked. HSBC's records don't show any attempted card transactions, although Mr O has said he didn't have his card anyway. And there's been no mention of any regular, phone or internet payments being declined.

Overall, I think it's most likely Mr O let someone deposit the cheque into his account. So I'm satisfied it was reasonable for HSBC to register information with CIFAS, and I won't be asking it 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 O to accept or reject my decision before 11 December 2017.

James Langford
ombudsman