

## **complaint**

Mr M complains that Capital One (Europe) plc recorded a CIFAS marker against his name when he applied for a credit card. CIFAS is the UK's fraud alert service.

## **background**

In September 2018 Mr M applied for a Capital One credit card. He was offered a card with a credit limit of £200. He didn't feel this was sufficient and so decided not to go ahead.

However, Capital One then recorded a CIFAS marker against his name. Mr M complained, and a few weeks later – in November 2018 – Capital One agreed to remove the marker. However, because of what Capital One described as a system error, this wasn't done until May 2019. Capital One accepted that it should have been done much sooner and sent Mr M a cheque for £100 in compensation.

Mr M didn't think this went far enough and complained to this service. He thinks that the marker has prevented him from getting a consolidation loan which could have saved him several hundred pounds a month. This in turn has had an impact on his living arrangements.

Capital One explained that it had some suspicions about the initial credit card application, and it appears this was because it had difficulty verifying Mr M's address. It had tried unsuccessfully to contact him to confirm his details. But after Mr M had been in touch it did accept that it shouldn't have recorded the CIFAS marker and should therefore remove it. Capital One also acknowledged that it should have arranged for the removal of the marker very much earlier than it did.

One of our investigators looked at the complaint. She thought Capital One should have offered a little more compensation than the £100 it had paid and recommended a further £50. Capital One agreed but – in view of the problems he'd faced – Mr M thought that was still not enough. He said he was looking for a payment in the region of £25,000; he asked that an ombudsman review the case.

## **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, however, I agree that Capital One's offer of a further £50, in addition to the £100 it's already paid, is a fair resolution of Mr M's complaint.

It was primarily for Capital One to decide whether it was prepared to offer Mr M a credit card and, if so, on what terms. I don't believe there is any basis on which I should intervene on that point. Mr M didn't want to take up the offer of a card with a £200 credit limit and so didn't do so.

But the main part of Mr M's complaint concerns Capital One's decision to place a CIFAS marker against his name. It acknowledged reasonably quickly that it shouldn't have done so – although I can understand why it had concerns. But it should have taken action to have the marker removed much more quickly than it did. Again, it accepts that. So the issue for me to decide is whether the compensation it's offered goes far enough.

I note what Mr M has said about the difficulty he has had in getting a loan to consolidate his borrowing and reduce the cost of it. I'm not persuaded however that those difficulties arise from the CIFAS marker. It seems they've continued even after the marker has been

removed, and I think it just as likely that they're linked to affordability as to the CIFAS marker. I don't believe I can fairly conclude that the CIFAS marker has had the effect Mr M says it has on his overall financial position.

For these reasons, I agree with the investigator that Capital One's offer of a further £50 in recognition of the trouble to which Mr M has been put is fair in the circumstances. I shall however make a formal award in line with it.

**my final decision**

My final decision is that, in order to resolve Mr M's complaint, Capital One (Europe) plc should pay him a further £50. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 February 2020.

Michael Ingram  
**ombudsman**