

The complaint

Miss B complains that Metro Bank PLC has registered a marker at CIFAS, the national fraud database.

What happened

Miss B had an account with Metro Bank. It told her in January 2019 that it was closing it. She later found it had registered the marker and complained.

Metro Bank said that three payments that Miss B had received into her account on 1 February 2018 totalling £940 were reported as fraudulently made in January 2019. Miss B had made payments on from her account using this money. It said it had a duty to report this.

Our investigator didn't recommend that the complaint be upheld. Miss B disputed these payments as being fraudulent and had said she didn't know who the person sending the money to her was. Miss B said she thought her ex-partner had arranged for the money to be sent to her as he didn't have a bank account. He then asked her to make payments on his behalf. Miss B now thought that a partner of his, who she'd sent money to, had maliciously caused this issue.

Our investigator said that Metro Bank had received information from the sender's bank that established that the payments to Miss B weren't authorised. The account holder hadn't been available to report this until January 2019. Metro Bank had to take this seriously and could show that Miss B had authorised payments using this money. She hadn't reported any issues with her account or say with her card being lost. Alongside bank transfers her card had been used to take out cash and make payments. There was no evidence that a false report had been made by the person Miss B described. Our investigator considered Metro Bank had met the standard necessary to add a CIFAS marker and it could decide as here to close her account. The investigator said that it might have been helpful if Miss B could have provided her credit record and any other evidence about what happened and the impact it was having on her.

Miss B didn't agree and wanted her complaint to be reviewed. She described the impact the marker was having on her health and her ability to work. She said she didn't commit any fraud and didn't know the source of the money was fraudulent.

What I've decided – and why

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

I won't be able to say *exactly* what happened here and I'll be thinking about what is *most likely*. I need to consider whether the report to CIFAS was made fairly. On this point, Metro Bank needs to have more than a suspicion or concern. It has to show it had reasonable grounds to believe that a fraud or financial crime had been committed or attempted and that the evidence would support this being reported to the authorities.

Miss B's account was opened at Metro Bank on 19 January 2018. The first payments into the account were the disputed ones - and these were all marked as being from the same sender who she says she didn't know. Miss B accepts she made a number of payments of this money starting as soon as it was received. She explains that this wasn't her main account and that she had accounts with other financial businesses.

The payments into her account weren't obviously from the name of the person she says was her partner. She's nothing to substantiate him asking her to use her account or of him providing details of the accounts to send the money onto. And as has been set out some payments were made with her card. This included for example payments to supermarkets and there was a small cash withdrawal.

I've listened to recordings of calls Metro Bank had with Miss B. She called it several times when she was told on 18 January 2019 that her account was going to be closed. And it said she needed to write in about this as it couldn't be dealt with in branch or in the contact centre. She accepts that she didn't do so, and it was only when her other accounts were closed, and she came to believe this was connected to Metro Bank that she raised a complaint. When she spoke to Metro Bank in July 2019, she said that she didn't know who the sender of the money was, hadn't used the account actively and thought the issue might be something to do with a car theft she'd reported.

Miss B hasn't provided any other evidence to support what she says happened. Or to explain why if what she says is right the person sending the money would have reported this as not authorised. I need to weigh up all the evidence about what happened. The sender's bank established the payments weren't authorised by the account holder. Miss B received the money from someone she didn't know shortly after her account was opened. She paid the money out herself and had made calls to Metro Bank to make the faster payments. And the only record of a first payment to the person she names as someone who might make a malicious report didn't come until 3 March 2018 and was for £60. There is no evidence that person was connected to the original credits.

Our investigator asked Miss B to provide any contact with her ex-partner about the payments - for example any text messages and her full credit record. Miss B hasn't provided anything else. I need to decide what it most likely here and I'm afraid I don't have evidence to find that it was other than Miss B involved in these payments and controlling how the money was used. Given this I consider she used money she received which she reasonably knew wasn't hers. She didn't report this to Metro Bank at the time and I'm afraid I find there was a sufficient basis for Metro Bank as a result to report this to CIFAS.

I appreciate how Miss B has said this has affected her. I won't be establishing in this complaint exactly how other financial business have dealt with this marker. But as it was fairly recorded, I wouldn't be able to hold Metro Bank responsible for that.

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 Miss B to accept or reject my decision before 13 October 2020.

Michael Crewe
Ombudsman