

## **The complaint**

Ms K complains that National Westminster Bank Plc has recorded a marker against her name at CIFAS, the national fraud database.

## **What happened**

Ms K says that in February 2018 NatWest told her it would be closing her account. In July 2020 she complained about the fraud marker it added at that time as this was preventing her from getting an account elsewhere.

NatWest said that it hadn't made a mistake in registering the marker and that the decision to close her account remained the same.

Our investigator didn't recommend that the complaint be upheld. She said that funds paid into Ms K's account in February 2018 has been confirmed as having been obtained fraudulently. NatWest had contacted Ms K about this then and noted that she told it that these were from birthday gifts but couldn't say who had sent the money. She had then told NatWest that she had lost her card.

Ms K hadn't given a consistent account of what happened and had told this service that she was manipulated by a friend in college into giving her card details. And that she was told she would get a part time job. It wasn't clear why she expected to be paid when she wasn't doing any actual work. She says she didn't know about the specific entries to the account and felt coerced by her friend into saying that these were a gift and was frightened of what might happen. There was no evidence to support what she said happened and part of the money had been quickly withdrawn. NatWest had reasonable grounds to apply the marker and to close her account in line with the terms and conditions.

Ms K didn't agree and wanted her complaint to be reviewed. She said that this has had a big impact on her life and that she didn't foresee the consequences. She was a child and vulnerable at the time and convinced by a friend to provide her details.

## **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 need to consider whether the report to CIFAS was made fairly. On this point, NatWest 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.

Funds of over £12,000 were paid into Ms K's account in February 2018 in two separate payments. The first of them was all quickly moved on and some withdrawn from a cash machine and the second was frozen before it could be accessed. I'm satisfied that this money had been fraudulently obtained and wasn't legitimately due to Ms K.

I've looked carefully at her explanations of what happened. She has given a number of different ones and her first lacked any credibility and does not support her at least panicking and being naïve. Having said that I don't have anything to support what she says about what was happening and to help me determine that she had no knowledge of this. And one of her explanations seemed to be that she was expecting to be rewarded for work that she hadn't been undertaking. If as she says she had no role in these payments then this means she had given all her account details, her card and her PIN to the person involved. There is nothing to support her being coerced to do so and I'm afraid I think she is fairly responsible for the way in which her account was then used.

NatWest says that it applied the CIFAS marker because Ms K received fraudulent funds into her account. So, I've looked at whether NatWest was fair to apply the marker, based on the evidence it had, and the investigation it carried out. CIFAS guidance says the business must have carried out checks of sufficient depth to meet the standard of proof set by CIFAS. This essentially means that NatWest needs to have enough information to make a formal report to the police. And that any filing should be for cases where there are reasonable grounds to believe fraud or financial crime has been committed, rather than mere suspicion.

Having reviewed Ms K's account of events and the evidence NatWest has provided, I'm satisfied that NatWest had sufficient evidence for the CIFAS marker to be recorded. In coming to this view, I've taken into account the following reasons:

- Ms K received fraudulent funds into her account and didn't report this to NatWest at the time or when she had the opportunity to do so.
- She was in control of who had the benefit of this money even on her version of events by allowing someone else free access to her account.
- NatWest had grounds to believe that Ms K had allowed the receipt and dispersal of fraudulently obtained funds through her account based on the evidence it had.

So, I'm afraid given this finding I also think it had grounds to close her account under the terms and conditions. I understand the impact of the marker for her, but I don't have a reasonable basis to require NatWest to do anything further.

### **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 Ms K to accept or reject my decision before 26 April 2021.

Michael Crewe  
**Ombudsman**