

## **The complaint**

Miss G complains that JN Bank UK Ltd recorded a Credit Industry Fraud Awareness System (CIFAS) marker against her. She feels the marker should be removed.

## **What happened**

Miss G applied for a loan with JN Bank UK Ltd in July 2020. She says her earnings had dropped due to the pandemic, so she'd applied for a number of loans that day, with a number of different lenders. When assessing her application, JN Bank carried out a credit search using the details Miss G had provided and discovered that she'd given it a different name to that used on most of her other credit facilities. And so it decided to record a CIFAS marker against her.

Miss G complained after learning about the CIFAS marker. But JN Bank investigated and said it was satisfied the marker was applied correctly and so it didn't agree to remove it. Miss G wasn't satisfied with JN Bank's response, so referred her complaint to our service.

One of our investigators looked at the complaint. They felt JN Bank had provided sufficient evidence that Miss G had made the application using false information, and so they felt it was reasonable that the CIFAS marker remained against her name. Miss G didn't agree with our investigator, so the complaint has been passed to me.

## **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.

Having done so, I think JN Bank has enough evidence to record the CIFAS marker against Miss G. I'll explain why below.

The marker JN Bank has filed with CIFAS is intended to record that there's been application fraud – meaning material falsehoods were made during the application for an account. In order to record a marker like this, JN Bank isn't required to prove beyond reasonable doubt that Miss G is guilty of fraud or a financial crime. But it must show that there are grounds for more than mere suspicion or concern.

CIFAS itself says:

- “There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted; [and]
- The evidence must be clear, relevant and rigorous such that the member could confidently report the conduct of the subject to the police.”

So I've thought about whether JN Bank had enough evidence to show that Miss G provided materially false information during her application, and whether it had enough evidence that she was deliberately dishonest when doing so.

JN Bank has sent us a copy of the loan application Miss G made to it, as well as a copy of the results from the credit search it carried out when assessing the application. The name Miss G gave when making the application was an incorrect spelling of her first name, and then her middle name in place of her surname. The credit search shows a number of other credit facilities Miss G has taken out, and a number of other applications she's made, using a number of different variations and combinations of her first name, middle name and surname.

Miss G has said the incorrect spelling of her first name on the application to JN Bank was likely caused by her phone auto-correcting her name. And I accept that this is plausible.

She's also told us she hardly uses her surname and usually uses her first name and middle name. But all of the other credit facilities that show up on the results of the credit search use her surname. All of the other applications that show on the credit search use her surname as well, including one application made on the same day she made the application to JN Bank. And none of the credit facilities or other applications that show on the credit search use just her first name and middle name. So the evidence I've seen suggests Miss G does use her surname, and doesn't usually use her middle name instead, at least on credit applications.

The results of the credit search also show adverse information in relation to a number of the credit facilities Miss G already had open. And attempting to hide previous adverse information is often a reason customers will use names they don't usually use when making credit applications. So as the evidence here suggests Miss G didn't usually use her first name and middle name for applications, and in the absence of any other plausible explanation from her, I think it's likely the reason she did so here was to try to hide the adverse information previously recorded on her credit file.

I can't say for certain why Miss G used a different name for this application, and I accept that it's possible that she does usually use her middle name instead of her surname in her day-to-day life. But, based on the evidence I've seen, I think JN Bank did have enough evidence here to show that Miss G provided materially false information during her application. And I think it had enough evidence that she was deliberately dishonest when doing so.

So I think JN Bank has enough evidence to record the CIFAS marker against Miss G, and I won't be asking it to remove the marker.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 26 October 2022.

Alan Millward

**Ombudsman**