

The complaint

Mr Z complains that National Westminster Bank Plc (NatWest) closed his account and recorded a CIFAS (Credit industry fraud avoidance system) marker against his name. He'd like the marker removed.

What happened

Mr Z held a current account with NatWest. In November 2023 he said he sold a bracelet to an individual for £3000. The individual transferred two amounts of £1000 into Mr Z's account and paid the final £1000 by cash.

NatWest were concerned about the two transactions of £1000 into Mr Z's account and put a block on his account. They later decided to close the account with immediate effect and referred to the terms and conditions of the account, which allowed them to do this. They also loaded a CIFAS marker against Mr Z.

Mr Z was unhappy and complained. NatWest responded and explained that the terms and conditions of the account allowed them to close an account immediately for several reasons. They said they would not be able to tell Mr Z the exact reason, but they were satisfied with the actions they'd taken, and they would not be re-opening the account.

Mr Z remained unhappy and brought his complaint to this service. He said he wasn't involved in fraud and wanted the CIFAS marker to be removed, so he could open a new bank account.

One of our Investigators considered the matter. They didn't think NatWest had done anything wrong. They considered Mr Z's version of events, but they didn't think the evidence Mr Z provided showed the transactions were linked to the sale of the bracelet. Because of this they didn't think Mr Z's version of events were reliable and so didn't think NatWest should remove the CIFAS marker.

Mr Z disagreed. He couldn't provide any further information or evidence, but said the money was related to the sale of the bracelet. He asked for an ombudsman to review the case.

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've explained my findings below.

Mr Z has explained that he is more concerned about the CIFAS marker that has been loaded against him, rather than the closure of the account. So, this decision focuses mainly on this.

Mr Z says the funds he received in his bank in early November were due to the sale of the bracelet. He says it was not a fraudulent transaction and so he doesn't think the CIFAS marker should be loaded against him. He says the funds were needed for a trip he was going on at the end of the month.

To be satisfied that the funds Mr Z received in his bank account were due to the sale of the bracelet, NatWest requested evidence that supported Mr Z's version of events.

Mr Z provided an undated advertisement of the bracelet he says he sold. This shows a picture of the bracelet, the cost, which is advertised as £3000 and Mr Z's telephone number. He has also provided further pictures of the bracelet.

Whilst I accept this advert could be genuine, it's very difficult to say it's directly linked to the funds received in Mr Z's account in early November, because it is not dated. This means it could have been an old advert, or an advert that Mr Z has created more recently.

Mr Z also hasn't been able to provide any communication or call logs linked to the sale of the bracelet. He says he deletes his call logs every 24 hours and hasn't been able to show any link that the two £1000 payments received in November, were because of the sale of the bracelet. He also cannot provide any information about the person he sold the bracelet to.

Without this evidence, it's very difficult to show Mr Z communicated with the buyer, to discuss the bracelet and arrange payment. Or to evidence that the two £1000 payments he received in his bank were linked to the sale of the bracelet and received from the buyer. I would've expected him to have been able to evidence this.

Because of this I can understand why NatWest had concerns about the legitimacy of the funds and I'm satisfied with the actions they took at this time – which was blocking the account, loading a CIFAS marker against Mr Z and eventually closing the account.

I'm satisfied NatWest investigated the two transactions and gave Mr Z the opportunity to evidence what they were for. Unfortunately, like NatWest I'm not convinced the funds were because of the sale of the bracelet and Mr Z hasn't been able to provide this service with any further evidence that supports what he says. And I think if this had been a genuine sale, Mr Z would've been able to provide something, more than the advert to support it.

Therefore, it follows that I do not think NatWest needs to remove the CIFAS marker it has loaded because of the transactions.

My final decision

For the reasons I've explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 13 September 2024.

Rachel Killian
Ombudsman