

The complaint

Miss G has complained National Westminster Bank plc added a fraud-related marker in her name to the industry fraud database, CIFAS.

What happened

Miss G held an account with another bank. In September 2023 she was told this account was being closed as they'd discovered a fraud-related marker in her name which another bank had lodged.

Miss G had previously held an account with NatWest which she'd opened in March 2022 to receive some savings she held. She says she never used this account so when it was closed in May 2022 she took no further action. She now asked NatWest whether they'd remove the CIFAS marker in her name.

NatWest didn't believe they'd done anything wrong so wouldn't remove the marker. Miss G brought her complaint to the ombudsman service.

Our investigator reviewed the evidence on detail but wouldn't ask NatWest to remove the marker.

Still unhappy, Miss G has asked an ombudsman to review her complaint.

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've reached the same outcome as our investigator. I'll explain why.

It is clear what the requirements are prior to lodging a marker. Specifically:

“There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted.

The evidence must be clear, relevant and rigorous.”

So NatWest must be able to provide clear evidence that an identified fraud was being committed and Miss G was involved.

There's also a requirement that NatWest should be giving the account holder an opportunity to explain what was going on.

I've seen the evidence provided by NatWest. This confirms they received a notification from different banks that their customers had sent money to Miss G's NatWest account after being the victim of impersonation scams.

Miss G has told us she didn't use this account. If so, I have to wonder why she contacted

NatWest twice about a card reader which she hadn't received. I'm aware she's told us that she was thinking of transferring money from another savings account into her NatWest account but never did. But I'm not convinced by this evidence despite considering the screenshots Miss G shared with us.

I've considered all of Miss G's evidence, but I don't believe her testimony that she wasn't aware of what may have been going on.

I say this because I've reviewed the evidence NatWest has shared with us. This shows that a first credit was made, which I believe Miss G would have been able to see online or using the app. There followed numerous transactions crediting and debiting the same funds to the NatWest account. This follows the pattern that we see in fraudulent cases.

Miss G has told us she wasn't making these transactions and posits that someone must have taken over her account as there were two different models of mobile linked to her account. The problem there is that her mobile was used consistently throughout, and I can see that she would have been able to see what was going on throughout. Particularly as there were large credits made to her account.

I note NatWest didn't contact Miss G to question her entitlement to the money. They're required to do this, so this is a failing on their part. However, I'm not convinced that anything Miss G would have told them would have caused them to amend their view at the time.

The requirements around banks lodging markers at CIFAS include there being sufficient evidence that the customer was aware and involved in what was going on. In this case I think this most likely exists here from reviewing the payments made into Miss G's NatWest account.

On this basis I don't believe it would be fair and reasonable to ask NatWest to remove the fraud marker.

As Miss G was under 20 years old at the time of the transactions and NatWest lodging a fraud-related marker, this will only remain on her record for three years.

My final decision

For the reasons given, my final decision is not to uphold Miss G's complaint against National Westminster Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 21 October 2024.

Sandra Quinn
Ombudsman