

The complaint

Miss B has complained Clydesdale Bank plc, trading as Virgin Money lodged a fraud-related marker on the industry fraud database, CIFAS, in her name.

What happened

In August 2022 Miss B's account with Virgin Money was closed. She'd opened this account in April. Soon after Virgin Money identified potential fraudulent behaviour and blocked her account. Miss B phoned them to query what was going on. They then gave her two months' notice of their intention to close her account. A large credit was received into this account in June which Virgin Money identified as not belonging to Miss B.

After Miss B found she was having trouble getting other bank accounts, she discovered there'd been a CIFAS marker placed on her record. She asked Virgin Money to remove the marker. Virgin Money didn't feel they'd done anything wrong and refused.

Miss B brought her complaint to the ombudsman service.

Our investigator reviewed the evidence. He noted that Miss B said she'd lost her phone and ID which enabled fraudsters to take over her account. But this had happened in advance of Miss B's account with Virgin Money being opened. He also felt the phone calls to Virgin Money were from Miss B so he believed she knew what was going on. He wouldn't ask Virgin Money to remove the marker.

Miss B disagreed with this outcome. She's asked an ombudsman to consider 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 Virgin Money must be able to provide clear evidence that an identified fraud was being committed and Miss B was involved. This means that they must have more than a suspicion or a concern that Miss B may be involved.

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

I've seen the evidence provided by Virgin Money. This confirms they noticed different mobile

devices being linked to Miss B's account and transactions attempted which raised their concerns. They blocked Miss B's account. After this date a high-value credit – which wasn't Miss B's – was paid into the account.

I'm in no doubt that this credit didn't belong to Miss B. And I can see fraud was identified.

Miss B has told our service that she lost her mobile phone and ID on a bus in March 2022. She accepts that the ID details held by Virgin Money were hers and she doesn't dispute opening the account a month after. This means I can't see any way an unknown fraudster finding Miss B's phone would be aware that she even held an account with Virgin Money.

I appreciate Miss B's testimony about a recent long-term illness and mental health issues, but I'm not convinced by the rest of her testimony. She says she doesn't recall speaking to Virgin Money but overall, I think it is most likely it was her based on phone calls Virgin Money have shared with our service.

I note Virgin Money didn't contact Miss B to question her entitlement to the money at the time of the fraudulent credit but by that stage they'd already told her they were closing her account.

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 evidence about Miss B's Virgin Money account.

Miss B was under 21 at the time Virgin Money lodged a CIFAS marker against her. Due to her age at the time, this stays on her record for three years so will be removed in January 2026.

On this basis, I don't believe it would be fair and reasonable to ask Virgin Money to remove the CIFAS marker. I won't be asking them to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Miss B's complaint against Clydesdale Bank plc, trading as Virgin Money.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 19 June 2025.

Sandra Quinn
Ombudsman