

The complaint

Miss B complains that Nationwide Building Society unfairly loaded a marker about her at Cifas, the national fraud database.

What happened

Miss B had an account with Nationwide.

Miss B has explained that she hasn't long moved to the UK to study and as a result doesn't know much about dealing with finances, and how the UK's banking system operates.

On 19 December 2024, two payments for £310 and £150 were paid into Miss B's account. Following this Miss B transferred £140 and £595 to accounts in her name. Following this Nationwide were notified by another bank that the payments Miss B had received into her account were fraudulent.

Nationwide blocked Miss B's account and sent her two emails on 19 and 20 December 2024, asking her to get in touch with them about her entitlement to payments. Miss B didn't respond. So, on 24 December 2024, Nationwide decided to close Miss B's account immediately and lodged a fraud marker with the industry fraud database, Cifas.

Miss B says she discovered the marker when other accounts she had were closed in April 2025. So, she reached out to Nationwide and asked them to remove the marker. She said the marker was making it hard for her to open another bank account and she was worried it would impact her ability to secure certain types of jobs. Nationwide reviewed things but maintained it hadn't done anything wrong. And said it wasn't willing to remove the marker. They were satisfied Miss B had known what was going on and had potentially benefitted from the fraud.

Miss B remained unhappy and brought her complaint to our service. Miss B says not long after she arrived in the UK she opened several bank accounts including a current account with Nationwide. She says a friend of a friend (whom I'll refer to as J) asked her to help him receive funds into her account. Miss B says J lives abroad and had misled her into believing he owned a UK business and needed her help to receive funds. Once she'd received the funds into her account, she sent him the funds. She believed this was safe and harmless, and although she hadn't asked, he would sometimes give her some money – around £8 for helping him out.

Miss B said she was young, naive and confused. And she didn't contact Nationwide at the time because she didn't really know what to say about what had happened. Miss B sent the investigator screenshots of messages she had with J which she says shows her asking him about the money. She said that she hadn't thought she was doing anything wrong, and she wouldn't get into trouble. Miss B says she felt pressured by J, and he stopped answering her messages. Miss B said she wants to get on with her life, be able to open bank accounts and get credit. But the marker is stopping her from moving on with her life. And is impacting her mental health.

After reviewing everything the investigator said that Nationwide hadn't done anything wrong when it had recorded the marker against Miss B. So, they didn't uphold the complaint. Nationwide agreed with what the investigator said. Miss B didn't. She wants the marker removed.

Miss B remained unhappy and asked for an ombudsman's decision. So, the matter has come to me to decide.

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.

The marker that Nationwide filed with Cifas against Miss B is intended to record that there's been a 'misuse of facility' – relating to using her account to receive fraudulent funds. In order to file such a marker, they're not required to prove beyond reasonable doubt that Miss B is guilty of a fraud or financial crime, but they must show that there are grounds for more than mere suspicion or concern. Cifas 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.*

What this means in practice is that a bank must first be able to show that fraudulent funds have entered Miss B's account, whether they are retained or pass through the account.

Secondly, the bank will need to have strong evidence to show that the consumer was *deliberately* dishonest in receiving the fraudulent payment and knew it was, or might be, an illegitimate payment. But a marker shouldn't be registered against someone who was unwitting; there should be enough evidence to show *deliberate* complicity. There's also a requirement that Nationwide should be giving the account holder an opportunity to explain what was going on.

Here Miss B received funds into her account that were confirmed by a third -party bank to have originated from fraud. The bank reported that their customers had fallen victim to a scam.

In December 2024, Nationwide asked Miss B what she knew about the fraudulent funds that had been paid into her account. Miss B didn't respond. Miss B now says this was because she didn't know what to say and she was naïve in allowing J to use her account.

Miss B has told our service that in effect J duped her into allowing her account to be used for fraudulent purposes and that she sent the money that was paid into her account to J. She said J has stopped responding to her attempts to contact him so she can't provide anything more to support her explanation. She maintains she hasn't done anything wrong and didn't keep any of the money. So, she hasn't been dishonest.

So, I need to consider whether based on all the information including the evidence Miss B has submitted to us, whether Nationwide had sufficient evidence to meet the standard of proof and load a marker for misuse of facility with Cifas. Having looked at all the information provided, I'm satisfied they did, and I say this because:

- I've seen the evidence from Nationwide that confirms they were notified by other banks that fraudulent funds were paid into Miss B's account.

- From looking at Miss B's bank statements Miss B sent two payments of £140 and £595 (which included the fraudulent funds) to two accounts in her name.
- When Nationwide asked Miss B about the payments at the time Miss B ignored Nationwide's requests to speak to them about the payments.
- After bringing her complaint to our service she provided another explanation. She said she'd allowed J to use her account and didn't know the funds were fraudulent. She said she did this because she didn't know what to say and wanted to get J 'off her back' as he was threatening her.
- In response to the investigators' view, Miss B provided another explanation about the activity on her account. Miss B said she had been pressured and threatened by J into allowing her account to be used for fraud.
- Miss B has said that she was young, and naïve to allow her account to be used. And has only recently come to understand what being used as a money mule means. She has provided our service with a screenshot she says show J asking her if he can use her bank account for his clothing business. I've looked at this, and it doesn't show Miss B being pressured or threatened. So, I'm not convinced that this backs up Miss B's latest explanation.
- Most significant is that Miss B has maintained that she sent the money to J. But this is contrary to the evidence I've seen. From looking at Miss B's bank account statements, I can see that Miss B sent the money to accounts in her name. Miss B hasn't disputed these transactions. So, I think it is more likely than not that Miss B did benefit from the fraudulent funds that were put into her account, which is contrary to what Miss B has told this service.
- Miss B hasn't provided any evidence about her arrangement with the individual, she says manipulated her which would support her explanation, such as any messages between her and them prior to her receiving the funds. Such as why Miss B was receiving the funds, or what she expected in return, what she had to do with the money, including why she sent the money to her accounts. I'd expect there to be some evidence that led to this arrangement which Miss B could provide. But nothing has been provided. So, I'm not persuaded Miss B is a victim as she suggested.
- Even if I accept the screenshots Miss B has provided were related to Miss B being manipulated into allowing her account to be used for I can't reasonably conclude that, at the time Miss B was believed what she was being asked to do wasn't legitimate.
- If Miss B believed she'd been tricked and manipulated into moving the fraudulent money on, I'd expect her to have alerted Nationwide at the time. But she didn't do so. When Nationwide questioned her about the funds she ignored their emails, and she deliberately lied to our service about what she did with the money. The fact that she did do so makes me think it's more likely than not that Miss B knew the money coming into her account was fraudulent. If Miss B had been the unwitting beneficiary of fraudulent funds, I would've expected her to alert Nationwide at the time in order that her account could be safeguarded against fraud.
- Miss B allowed the use of her account in this way and so was in control of who had the benefit of this money. After Miss B received the payment, the funds were immediately transferred to accounts in her name. This activity suggests to me that Miss B was potentially involved in money laundering. And benefitted from the fraudulent funds paid into her Nationwide account.

- I think the evidence shows that Miss B was involved in a misuse of facility. I say this because when Nationwide first asked about the activity on her account, she would have had every reason to come clean if she was an unwitting participant, she ignored the bank. Miss B also continued to lie when she brought her complaint to us – I can't see a plausible explanation for her to do this. Naivety and youth are no defence against fraud. And the different explanations make it hard for me to place much weight on what Miss B has said about what happened. As far as I can see, the evidence supports Miss B was more likely than not knowingly involved in fraud, whether directly, or as a money mule.

I've considered what Miss B says about the impact the marker has had on her. But she hasn't been able to provide any evidence of being placed under any duress or being especially vulnerable. In my view, based on all the evidence, I think it's most likely she allowed her Nationwide account to be used for receiving fraudulent funds. And I think she was a willing participant in this and in moving the money on and spending it. And that she reasonably knew this wasn't a legitimate activity. So, I'm not convinced Miss B is an innocent party. I think the evidence shows that Miss B was involved in a misuse of facility.

In summary, 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. Miss B has received funds into her account that have originated from fraud. She has been unable to provide any corroborative evidence to support her testimony that she is an innocent party of the transfer of the funds and was unaware of their origins. I also find that the suspicious circumstances of the movement/use of the money, adds weight to this argument.

Having looked at all the evidence I'm satisfied this shows there were reasonable grounds to suspect that fraud had been committed. And from evidence I've seen that Miss B was likely complicit in this. So, while I acknowledge Nationwide didn't ask Miss B very much about the money (as it should have) and could have done more to investigate the wider circumstances of the money Miss B received and given Miss B more of a chance to defend her position, I'm satisfied had it done so, the marker would have achieved the burden of proof required. On this basis I didn't think it would be fair or reasonable to ask Nationwide to remove the marker or pay Miss B compensation.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 5 January 2026.

Sharon Kerrison
Ombudsman