

## **The complaint**

Mr M complains Nationwide Building Society has recorded his personal details with Cifas – a fraud prevention database - and won't remove them.

## **What happened**

On 10 May 2023, Mr M received two payments of £1,000 each into his Nationwide account. Nationwide later received information which suggested these payments were the proceeds of a crime.

Nationwide asked Mr M about the payments. He said they'd been received from someone his friends had brought to his home after meeting her in town, when she said she'd been robbed and lost all her bank cards. Mr M said this person, who I'll refer to as Ms J, had stayed at his home for two days and the money was transferred to him and withdrawn and given to her, as her bank cards had been stolen.

Nationwide decided to close Mr M's account with immediate effect, and he later discovered it had registered his details with Cifas. So, he complained to Nationwide. Nationwide responded to say it hadn't made a mistake in registering the fraud marker or closing Mr M's account.

Mr M referred his complaint to our service. An Investigator considered the circumstances. He said, in summary, he didn't think Nationwide had sufficient evidence in the circumstances to register the Cifas marker. He recommended Nationwide remove the Cifas marker and pay Mr M £200 in recognition of the distress and inconvenience caused.

Nationwide didn't accept the Investigator's findings. It said it couldn't ignore the fraud report it had received, and it didn't think Mr M had provided sufficient evidence to support his version of events.

As Nationwide didn't agree, the complaint's 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.

The marker Nationwide has registered in Mr M's case is a "misuse of facility". In order to record a marker for misuse of facility, Nationwide must be able to show a number of requirements have been met, including:

- 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.

Here, Mr M's account received two payments which were later reported as fraudulent. Nationwide contacted Mr M and asked him about the circumstances in which those payments were made.

Mr M told Nationwide the money had been sent to him by someone his friends had met in town and brought to his home, Ms J. Mr M says she told him she was vulnerable and had just been robbed, all her bank cards and £800 had been stolen. Mr M says Ms J stayed at his home for two nights during which time she transferred the two payments of £1,000 to his account so that Mr M could withdraw the cash for her, and she agreed to give some of the money to Mr M's friend. Mr M says he was told he could keep about £300 by Ms J – which he did. Mr M says he remained in contact with Ms J via messaging for a while after this, that she told him she would be trying to claim the money back on her "insurance" and eventually stopped replying to Mr M.

Mr M has been consistent about his version of events from when he was first contacted in June 2023, and when he made his complaint in 2025.

The fraud report Nationwide received confirmed that Mr M had only just met Ms J and that she stayed with him. But the circumstances under which she stayed there were described very differently, and some serious allegations were made. Nationwide was told by the sending bank that a police investigation was ongoing, but it didn't provide anything to substantiate this. Nationwide asked the sending bank for the police report but it didn't respond. Nationwide then asked our service to try and obtain the police report, but it's for Nationwide to demonstrate it has sufficient information to justify the Cifas loading. Mr M has told us that the woman was removed from his home by the police, which ties in with details of the fraud report. Overall, Mr M's version of events broadly matches the details of the fraud report, except for the nature of the transactions. But I do understand why Nationwide had the concerns it did, having received the fraud report.

We asked Mr M if he'd ever received further contact from police about this matter and he said he hadn't. Nationwide also said it repeatedly asked Mr M for evidence which he never provided. But given what Mr M has said about the circumstances of the payments, I don't find it surprising he doesn't have any documentary evidence to substantiate the in-person discussions he had with the sender of the money. I acknowledge that Mr M has told us and Nationwide there was contact via messages after the transactions were made and he can't now provide those. It's not clear to me why Mr M couldn't have provided those to Nationwide at the time he was initially contacted in 2023, and I do understand why Nationwide would find this unusual. But based on what Mr M has told us, it doesn't seem that the messages discussed the original payments in any detail so I don't think, on balance, these messages would substantially change the overall position.

Overall, I'm not persuaded Nationwide has sufficient evidence in the circumstances of this complaint to register the Cifas marker.

Mr M has told us the Cifas marker is causing him significant distress and financial hardship. Having considered the impact he's told us this has had on him - including the difficulty the marker has caused Mr M when applying for accounts - I find £200 is fair reasonable in recognition of the distress and inconvenience caused.

### **My final decision**

For the reasons I've explained, I uphold this complaint.

To put things right, I require Nationwide Building Society to:

- Remove the Cifas marker.
- Pay Mr M £200 in recognition of the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 February 2026.

Eleanor Rippengale  
**Ombudsman**