

## **The complaint**

Miss W complains Bank of Scotland plc trading as Halifax has added her details to Cifas – a fraud prevention database – and won't remove them.

## **What happened**

In September 2023, Miss W's accounts received three payments that were later reported as having been made as part of a scam.

Halifax asked Miss W about the payments. She said the payments had been made from a family friend and she'd withdrawn the money for a holiday. After considering the information Miss W had provided, Halifax took the decision to close Miss W's account and Miss W later discovered that it had registered a Cifas marker.

In 2025, Miss W complained to Halifax. It responded to say it didn't think it had made a mistake in registering the marker in 2023 but based on what Miss W had now told it – it agreed to remove the Cifas marker. Miss W wasn't happy with this and referred her complaint to our service.

An Investigator considered the circumstances. She said, in summary, she didn't think Halifax had made a mistake in registering the marker initially, but she agreed with its decision to remove it now.

Miss W didn't accept the Investigator's findings. She said she thought compensation was due because there was a lack of evidence showing she was complicit at the time of the marker being registered and because the marker had caused her two years of difficulties managing her finances.

As Miss W didn't agree, the complaint's been passed 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.

It's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

The marker Halifax registered in Miss W's case was a "misuse of facility". In order to record a marker for misuse of facility, Halifax 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, Miss W's account received three payments which Halifax later received notification were fraudulent. Halifax has provided a recording of a conversation it had with Miss W on 18 September 2023. I've listened to this call.

In it, Miss W was asked about the three disputed payments and the person who sent them. Miss W told Halifax she needed the money as she'd just moved into a new flat and she was going on holiday. She said the arrangements for the payments had been made in person, so she didn't have any documentation. Miss W said the money had been sent from a close family friend.

The adviser asked Miss W twice during the call if anyone had asked Miss W to receive money into her account for them. On both occasions, Miss W said no. Halifax also advised Miss W to contact the family friend and ask for the fraud reports to be withdrawn, otherwise she wouldn't be able to use her account. But it seems Miss W didn't get back in contact with Halifax about this matter until she made her complaint in 2025. So, based on the information Halifax had at the time – which was that Miss W had received payments into her account which were reported as fraudulent and Miss W couldn't provide anything to substantiate her entitlement to the funds – I don't find Halifax made a mistake in registering the fraud marker in 2023.

Miss W now says she was pressured by someone she knew into receiving the payments. So, when asked by Halifax about the payments in 2023, Miss W hadn't been honest with the bank – despite the bank asking her twice during its call with her if she'd been asked to receive the payments. When Miss W told Halifax this as part of her complaint, taking into account her age at the time, it agreed to remove the Cifas marker. I find this fair and reasonable in resolution of this complaint.

Miss W has told us the Cifas marker has caused her significant distress and inconvenience over the two years it was in place – including making obtaining financial services and accessing rental housing difficult. I'm sorry to hear of the problems Miss W has had and I don't underestimate the difficulties this has caused Miss W, particularly because of the circumstances she's shared with us – which I won't set out here as final decisions are published. But as I've found the marker was added correctly in 2023 and Miss W didn't provide Halifax with the correct information about what had happened until 2025, I don't find Halifax need to pay compensation in these circumstances.

### **My final decision**

For the reasons I've explained, I'm satisfied what Halifax has already offered to do is fair and reasonable in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 6 May 2026.

Eleanor Rippengale  
**Ombudsman**