

## **complaint**

Mr A complains that Bank of Scotland Plc (trading as Halifax) closed his account and applied a CIFAS fraud marker to his credit file without telling him.

## **background**

Mr A had an account with Halifax. In November 2017 Halifax decided to close his account, as a result of a review of the account by its fraud department. It told him his account would be closed in 60 days (it was actually closed in February 2018), but it didn't tell him that it was also going to record a CIFAS fraud marker against him. Mr A only found out about that as a result of asking Halifax questions after he found he was unable to open a new account with three other banks. Mr A complained about the account closure, the CIFAS marker, and the lack of communication about the CIFAS marker.

Halifax told Mr A that it had been entitled to close his account and had complied with the notice period. It said it had not been required to tell him about the CIFAS marker. It had been entitled to register the CIFAS marker, and had only done so following a thorough investigation.

Mr A complained to our Service. He denied that he had ever been involved in any kind of fraud, and he insisted that all of the transactions on his account were entirely innocent. He said that Halifax hadn't asked him about the transactions on his account, and if it had done then he could have explained all of them. He had been deprived of the opportunity to do so, and Halifax should have presumed he was innocent until it had heard what he had to say. He was seriously prejudiced by the CIFAS marker, and would continue to be disadvantaged for six years, including by having his career prospects sharply curtailed. Halifax had not warned him that it would be difficult or impossible to open an account elsewhere, and had made it sound as if that would be easy.

Our adjudicator did not uphold this complaint. He reviewed the information Halifax had provided in confidence, and concluded that Halifax had not acted unreasonably in recording the CIFAS marker. The account had been closed after the proper notice period, which the bank was entitled to do. So he didn't think that Halifax had done anything wrong.

Mr A asked for an ombudsman's decision. He accepted that Halifax had the right to close his account if he wanted to. But he emphasised the adverse consequences of the CIFAS marker, and said that this was the main feature of his complaint. He maintained that he had not been treated fairly, because Halifax had jumped to conclusions about the use of his account and had not sought to obtain his side of the story, and had ignored what he had told it since.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I am sorry to disappoint Mr A, but I am afraid that there is nothing I can add to what our adjudicator has told him. I am unable to share with him the reason why Halifax closed his account and applied the CIFAS marker, or what Halifax based its decision on. All I can tell him is that I am unable to say that Halifax's actions were unreasonable or disproportionate,

or that it should remove the CIFAS marker. I regret that it will no doubt seem unfair to Mr A that he can't know the case against him, but I am bound by a duty of confidentiality.

**my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 27 January 2019.

Richard Wood  
**ombudsman**