

## **complaint**

Mr B complains that National Westminster Bank Plc applied a fraud marker to CIFAS the national fraud database when it closed his account.

## **background**

Mr B received a payment of £500 into his account on 17 October 2018. NatWest was sent a report that these funds were fraudulent by the sender's bank. So it removed the money and told Mr B it would be closing his account. He then found out that it had added a marker at CIFAS and says that meant another of his accounts with a different financial business was closed and he was prevented from opening an account elsewhere.

Our investigator recommended that NatWest remove the marker and pay Mr B £300 in compensation. It agreed to do so and confirmed the marker had been removed. Our investigator said that he was satisfied NatWest acted in line with the terms and conditions in closing Mr B's account. And Mr B hadn't provided evidence of any actual financial loss.

Mr B didn't agree and wanted his complaint to be reviewed by an ombudsman. He said that as he knew there was a CIFAS marker he wasn't able to apply for a mortgage. It is clear that this would be stressful without him needing to provide medical evidence about this.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The issue I need to consider here is compensation for Mr B. He wants significantly more than has been offered and says that he could have saved money on rent and by now had an equity share in a mortgaged property. He also spent time on this complaint and been caused stress and wants to be compensated for that too.

I understand the points Mr B is making about how things might have been different for him had he had a mortgage and bought a property. But I'm afraid that I don't accept that as an argument for compensating him. I'd have needed to be convinced that the only thing stopping him getting a mortgage was the CIFAS marker. A marker shouldn't lead to an automatic refusal – lenders must make their own checks and make their own decisions. And without evidence of an actual mortgage application I also couldn't be satisfied he's had a real not just potential financial loss.

I don't doubt Mr B found what happened stressful based on what he'd told us and I've taken that into account. He has been inconvenienced. And I'm looking at the overall impact and not units of time he says he's spent in dealing with this matter. Having done so I think that the resolution now proposed is reasonable and so I won't be asking NatWest to do more than it's now agreed to.

**my final decision**

My decision is that I uphold this complaint in part and require National Westminster Bank Plc to remove the CIFAS marker relating to this payment and pay Mr B £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 22 June 2020.

Michael Crewe  
**ombudsman**