

complaint

Miss B complains that Metro Bank PLC has recorded adverse information about her to CIFAS, one of the UK's fraud alert services.

background

Miss B is unhappy that Metro Bank has put a CIFAS marker against her name because there was an attempt to pay fraudulent funds in excess of £7,000 into her account. Miss B says she knows nothing about the payment or who was trying to pay it into her account. She wants Metro Bank to remove the marker.

Our investigator didn't think that Metro Bank had enough proof to show that Miss B was a knowing party to a fraud and thought it should remove the marker.

After our investigator's involvement Metro Bank agreed to remove the CIFAS marker and to pay £300 compensation. Miss B didn't think this was enough.

my findings

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

Metro Bank has accepted that it hadn't enough proof to be able to reasonably load a CIFAS marker against Miss B's name. It has agreed to remove it. It has also offered to pay £300 as compensation for the difficulties Miss B had because of this, including the withdrawal of her credit card facility.

Miss B didn't think this was enough for the stress and upset the marker had caused her. She said that her credit score was adversely affected, she had to borrow from relatives and friends because her credit card account was closed and she suffered a serious health problem because of the stress she was under.

I accept this has been distressing and caused inconvenience for Miss B. In complaints of this type, the role of this service is to ensure that a customer affected by any mistakes by a financial institution is put back into the position they would have been in had those errors not been made.

credit score

I can see that Miss B's credit score was in the 'poor' category before the CIFAS marker was placed against her name. Whilst I accept that it did have some negative impact, her credit score still remained in the 'poor' category. So I don't consider the marker had a significant impact on Miss B's credit score.

credit card

Miss B says that within a few days of Metro Bank placing the CIFAS marker against her name, her credit card provider withdrew her credit card facility. Miss B did regularly use her card so I can see that this would have caused her some problems. She says that she is now paying back the balance at £100 but because of the interest she isn't reducing the amount she owes fast enough.

I have looked at her credit card account and the interest rate her card provider is charging is the same as it was before the marker was placed. Whether or not Miss B was using the card she would always have been required to pay interest. So I can't see that she has any financial loss because of this.

I appreciate that having to borrow from friends and family may have been inconvenient for her. But, again, I can't see that she suffered any financial loss because of this.

health issues

Miss B blames the stress she was under because of Metro Bank placing a CIFAS marker against her for the problems she had with her health in December 2018. I fully understand Miss B's strength of feeling about this and that this must have been a worry for her. But having given everything very careful consideration I can't safely conclude that it was caused solely by the actions Metro Bank took.

I find that the offer that Metro Bank has now made, following our involvement, is reasonable. It's not for me to fine or punish the bank, and we don't make awards based on the number of mistakes a financial business makes. I decide what's fair based on the impact of what happened on Miss B and the amount of time needed to resolve this. I think the amount of £300 is fair and reasonable in all the circumstances.

my final decision

My final decision is that I uphold this complaint in the sense that I require Metro Bank PLC to:

1. Remove the adverse information it has recorded against Miss B from CIFAS, if it hasn't already done so.
2. Pay Miss B £300 compensation for the upset and inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 28 February 2020.

Karen Wharton
ombudsman