

complaint

Ms R complains that National Westminster Bank Plc has registered a marker at CIFAS, the national fraud prevention agency, which is affecting her ability to obtain borrowing.

background

Ms R applied for a buy to let mortgage with NatWest in November 2018. This was declined and so, she says, were subsequent applications with other lenders. Ms R found out that a marker had been registered at CIFAS in December 2018. She made a subject access request to CIFAS and found that an 'application fraud' marker had been made for 'false documentation'. She complained to NatWest. It told her that when it suspects fraudulent activity it may add a marker.

Our investigator didn't recommend that the complaint be upheld. He said that:

- NatWest needed to meet the criteria to load a marker with CIFAS and have sufficient evidence.
- It had provided copies of the documents Ms R gave it during her application and evidence of its checks. NatWest had shown inconsistencies in what Ms R provided.
- He was satisfied that this wasn't the result of an honest mistake and that what NatWest found was sufficient to justify the marker.

Ms R didn't agree and wanted the investigator to be more specific. She said that there might be an issue with her employment record as her ex-employer had ceased trading. And that its accountants had provided her with information. She didn't believe that employer had paid all the payroll tax due and she wondered if that was part of the problem. She provided her P60 and P45 tax documents and she now understood it had ended her employment in November 2017 without then telling her. Ms R also provided a reference from her overseas bank manager about her good standing.

my findings

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

Our investigator has explained the role of CIFAS. And I want to add that it's not enough for a financial business to have a suspicion of fraud or financial crime to add a marker. There must be reasonable grounds to believe that's been attempted. And the evidence must be sufficiently clear such that the business could report it to the police. So that's a high bar.

I also need to say that in cases of alleged fraud like this we won't be in a position to enter into discussion about the nature of the evidence we've seen. And to say exactly what any discrepancies were. But as the investigator's indicated we need to be satisfied during our impartial review that the criteria have been met.

With that in mind I'm not going to be able to comment on the issues Ms R has mentioned with her pay and tax documentation. That's something she'd need to take up with the parties that provided it to her or the relevant authorities. I've looked carefully at what NatWest has provided, the basis for its investigation and how it arrived at the decision not to agree to borrowing and to apply the CIFAS marker. And at how NatWest looked again at that decision when Ms R complained.

Having done so I'm afraid I find that NatWest has satisfied the standard necessary here. And so I don't have a reasonable basis to require it to remove the marker. I fully appreciate the likely ongoing consequences for Ms R.

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 Ms R to accept or reject my decision before 30 January 2019.

Michael Crewe
ombudsman