

## **complaint**

Mr B complains that National Westminster Bank Plc closed his account and placed a CIFAS marker against his name. CIFAS is the UK's fraud alert service.

## **background**

Mr B has had a current account and a savings account with NatWest for several years. He rarely used his savings account.

In March 2019 two credits of over £1,000 were paid into Mr B's savings account. On the same day £1,180 was transferred online from his savings account to his current account. There were then three cash machine withdrawals and two retail purchases made on the current account; the value of those transactions was just over £1,180, the amount that had been transferred into the account on the same day.

NatWest was later told by another bank that the payments into Mr B's savings account had been fraudulent. That is, the second bank was satisfied that its customer either hadn't made them or had been tricked into making them. It traced those payments to Mr B's current account and closed it and his other accounts. NatWest also placed a CIFAS marker against Mr B's name – making it difficult for him to obtain banking facilities elsewhere.

Mr B said that he wasn't involved in and knew nothing about the activity on his accounts – the payments to his savings account; the transfer to his current account; or the withdrawals and retail payments. Whilst he was later able to open a new account with a different bank, he thought he should have more options; the CIFAS marker meant that some banks wouldn't provide him with an account.

NatWest wouldn't remove the marker, and so Mr B referred the matter to this service, where one of our investigators considered it. The investigator concluded however that Mr B had authorised the account activity and that the CIFAS marker had therefore been recorded fairly. Mr B didn't accept those findings and asked that an ombudsman review the case.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, however, I've reached broadly the same conclusions as the investigator did, and for similar reasons.

I'll consider first of all the payments to the savings account. They would not have required any direct involvement on the part of Mr B. That is, anyone who had his account details – sort code and account number – could have made them. I would comment however that Mr B's savings account wasn't used very much, so even those details would not have been widely available. Nevertheless, I don't believe that the payments into Mr B's savings account show that he knew about them.

However, money was then transferred online from his savings account to his current account. That would have required rather more than the account numbers; it would have needed his online log-in details. Mr B says he didn't provide these to anyone.

I'm satisfied that the funds were fraudulent – in the sense that they'd been transferred without consent into Mr B's savings account. I think it unlikely that a fraudster would have made those payments, or the transfer to his current account, unless they were confident of

being able to withdraw, transfer or spend that money. The payments to the savings account, the transfer to the current account and the withdrawals and spending were almost certainly carried out by the same person or by people working together, and were all linked.

The withdrawals from the current account and the retail spending were all made using Mr B's bank card and PIN. Mr B hasn't reported his card missing or explained how someone else might have had both his card and PIN and been able to use them together.

For these reasons I think it more likely than not that Mr B made or authorised the transactions I've described here. At the very least, I think he allowed someone else to use his account(s) but hasn't explained that to the bank or to this service. It may even be that he did that without understanding what the consequences might be for him, and that he hasn't benefited from it. But whatever the full explanation, I don't believe it was unreasonable of NatWest to close Mr B's accounts or to place a CIFAS marker against his name.

### **my final decision**

My final decision is that I don't require National Westminster Bank Plc to take any further steps to resolve Mr B's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 June 2020.

Michael Ingram  
**ombudsman**