

complaint

Mr D has complained National Westminster Bank Plc placed a fraud marker on his record. He believes they can't do this as they agreed to limit any impact on his credit record when requiring him to pay a debt on his credit card account.

background

In late 2014 another ombudsman wrote a final decision about a complaint Mr D brought to us. This confirmed NatWest could get Mr D to pay what was owed on his credit card account. At the time *"NatWest has confirmed it will not register a default with the recognised credit reference agencies"*.

After Mr D had had problems opening accounts with two other banks, he discovered NatWest had placed a marker on CIFAS about him. He felt this was contrary to what NatWest had previously agreed. And he now wants this removed. NatWest weren't willing to do this so Mr D brought his complaint to the ombudsman service.

Our investigator reviewed the evidence. This showed NatWest had placed a marker, categorised as first party fraud, against Mr D's name with CIFAS, a national fraud database, in February 2014. She didn't think this was unfair based on what had happened.

Mr D was extremely unhappy with this outcome. He believes NatWest has damaged his credibility which goes against the grain of what they'd agreed. He's asked an ombudsman to make a final decision on his complaint.

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 I've reached the same conclusion as our investigator. And for roughly the same reasons.

There are certain criteria a bank needs to consider when applying any fraud marker against someone's name. Amongst other things, this includes whether the party involved could have been charged with a criminal offence and whether the account received fraudulent funds. I asked NatWest to review whether they felt the marker against Mr D's name met these. They confirmed they felt it did.

I've also reviewed the best practice myself and agree NatWest met the appropriate criteria. The final decision completed by a colleague in 2014 made it clear NatWest could ask Mr D to pay the debt. It wouldn't have said this if it wasn't felt Mr D had contributed to the situation he found himself in. Like our investigator noted, I appreciate there's been no criminal prosecution but that isn't the test that needs to be met.

I know how upset Mr D is about what has happened. He believes NatWest said they'd do nothing to damage his credibility, credit record or reputation. And he thinks a CIFAS marker falls into the same category as negative data being placed on a credit file. I appreciate what Mr D thinks but a CIFAS marker is very different from negative data on a credit record. I'm satisfied NatWest's confirmation didn't relate to CIFAS. And in fact when they confirmed they wouldn't default Mr D's debt, the CIFAS marker already existed.

I've spoken to Mr D so have taken into account everything he's told me about the impact of what's happened – on his business, his ability to operate bank accounts and his wife's employment. And I appreciate the strength of his feeling and concerns.

Even though I don't think NatWest has done anything wrong, I did ask them whether they would now remove the marker from Mr D's record. But they felt there was no reason not to let it run for the full six years. I don't think it would be fair or reasonable to ask them to do anything further.

my final decision

For the reasons I've given, my final decision is not to uphold Mr D's complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 8 March 2018.

Sandra Quinn
ombudsman