

complaint

Ms A complains that Nationwide Building Society acted unfairly and unreasonably by recording information about her with CIFAS. She wants the information removed.

background

Ms A applied for a mortgage through a broker to Nationwide, and provided documents to support her application. She said her application was unsuccessful as her employment details hadn't been confirmed as correct. Ms A got a letter from her employer and applied for another mortgage through another broker; the application was again unsuccessful. Ms A contacted CIFAS, a fraud prevention agency, and found out that Nationwide had said her bank statements had been altered, as had another lender. Ms A felt this was the reason why she was struggling to get a mortgage.

Ms A complained to Nationwide. It said her mortgage application did fail because it couldn't confirm her employment details. Nationwide also said the broker appealed on Ms A's behalf, but without success. Nationwide didn't accept that it had done anything wrong in making a report to CIFAS.

Ms A complained to us. The investigator's view was that Nationwide had acted fairly and reasonably in making the report to CIFAS. She said it didn't have to give details to Ms A as the information was sensitive, but the problem was connected to Ms A's employment income.

Ms A disagreed. She said Nationwide didn't call the right department for her employer and she was being punished for something she hadn't done. The investigator carried out further investigations and was satisfied that there was sufficient evidence to justify the CIFAS report.

my findings

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

Lenders are required to treat consumers fairly and reasonably, but they also have other duties, such as reporting potential fraudulent applications to CIFAS. Lenders don't have to prove an application is fraudulent to make such reports; they simply have to have sufficient evidence which means it's fair and reasonable to make the report.

In Ms A's case, having looked at the evidence available to me I'm satisfied that Nationwide had sufficient evidence which made its report to CIFAS fair and reasonable in the circumstances. The issue wouldn't have been solved by Nationwide calling Ms A's employer, though I'm unable to give full details due to the sensitivity of the information with which I've been provided. In any case, Nationwide didn't call the wrong department and used other methods to check the position. It's also relevant that it seems other lenders have flagged up potential fraud in the applications made to them by Ms A for the same reasons identified by Nationwide.

my final decision

My final decision is that I don't uphold the complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 6 August 2018.

Claire Sharp
ombudsman