

complaint

Mr U complains The Royal Bank of Scotland Plc won't remove information it passed to the Credit Industry Fraud Avoidance System ("CIFAS"). And this is now affecting his ability to obtain credit.

background

Mr U had an account with RBS. In March 2016, just under £8,000 was paid into Mr U's account from an account operated by a business. Mr U immediately transferred the money to another account he had with a different bank. RBS had concerns about the money deposited into Mr U's account. So it closed the account and passed information about the matter to CIFAS.

Mr U accepted that RBS could close the account. But he didn't think it was fair for it to pass information about the matter to CIFAS. He says he hasn't done anything wrong. And a friend was simply lending him some money to pay for his wedding. He complained to RBS.

RBS said it had acted correctly when it applied the CIFAS marker. Mr U didn't think this was fair. So he brought his complaint to our service.

He said, in summary, that:

- a friend lent him some money to pay for his wedding overseas
- his friend was supposed to lend him £2,000 but his friend made a mistake and instead lent him £7,800 ; and
- he provided paperwork to show that he'd got married overseas in March 2016 to support why the money had been paid into his account.

The investigator thought that what Mr U said had happened had changed over time, and that some of the things he'd said didn't add up. So she didn't think it would be fair to ask RBS to remove the information registered with CIFAS. Mr U didn't agree. So the complaint has been passed to me to decide.

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 come to the same conclusion as the investigator, for the same reasons.

I've looked carefully at what Mr U has told us about the money he received. And having done so I don't think M U's story about the money is plausible. He says a friend lent him some money to pay for his wedding. And that he was only expecting £2,000. Yet he received more than three times as much. And immediately transferred it to another account he held with a different bank. I've seen no evidence that he ever questioned this amount. Even though Mr U says his friend transferred the larger amount in error. So I think he was expecting the higher amount. And he provided his bank account details to enable the deposit to be made.

From looking at Mr U's bank statements I can see that the payment came from a business account instead of an individual. Mr U told our investigator he hadn't noticed this information. And that he had no connection to the business. I would've expected Mr U to question an unknown beneficiary paying money into his account. But again I don't have any evidence that Mr U did this.

When the investigator asked Mr U for details of his friend who he says lent him the money, Mr U could only provide a first name. And said he was no longer in contact with his friend. So when I weigh everything up, I don't think I can rely too heavily on what he's said.

In summary, based on the evidence I've seen, I'm satisfied it was reasonable for RBS to register information with CIFAS, and I won't be asking it to remove it.

I can understand why Mr U is upset. I also appreciate that Mr U is understandably worried about how this will affect his ability to obtain credit in the future. But for me to uphold his complaint I have to think the bank has done something wrong. And in this case, I don't think it has.

Our investigator has advised Mr U that he's able to contact CIFAS directly to see what the record says. And that CIFAS has its own process for investigating disputed entries. I understand he has recently done this.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 23 February 2018.

Sharon Kerrison
ombudsman