

The complaint

Mr A has complained Nationwide Building Society has lodged a fraud-related marker on the industry fraud database, CIFAS, which has stopped him opening up a bank account.

What happened

In early 2023 Mr A tried to open a bank account. His application was rejected. He was told this was because of a fraud-related marker showing on his record. He contacted CIFAS, the industry fraud database, to see what records they held about him. This confirmed Nationwide considered Mr A had made a false application to them for an account. Mr A contacted Nationwide and told them he'd not applied to open an account with them. He asked them to remove the record from CIFAS.

Nationwide felt they had sufficient evidence to lodge the record with CIFAS and refused to do what Mr A asked them to do. Mr A brought his complaint to the ombudsman service.

Our adjudicator reviewed the evidence and believed this showed it was most likely Mr A had made the application to open an account with Nationwide. As false information had been provided in support of this, he wasn't going to ask Nationwide to do anything further.

Mr A disagreed with this outcome. He's asked an ombudsman to consider his complaint.

What I've decided – and why

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 outcome as our adjudicator. I'll explain why.

It is clear what the requirements are prior to lodging a marker. Specifically:

"There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted."

"The evidence must be clear, relevant and rigorous such that the member could confidently report the conduct of the subject to the police."

So Nationwide must be able to provide clear evidence that an identified fraud was being committed and Mr A was involved.

I've seen the evidence provided to Nationwide in December 2021 in support of a application to open a bank account. This included a utility bill. Our adjudicator checked the status of the bill with the relevant energy provider. I'm in no doubt based on what has been said that the utility bill is fake. Mr A wasn't the bill payer for the energy supplied at the address he said he was living at during this period.

I also need to consider whether Mr A was, in fact, the individual making the application to open an account with Nationwide. Mr A has not been completely consistent on this aspect as

he originally denied this wasn't him but later suggested he did indeed make one application – as opposed to the three different applications in December 2021, July and December 2022 – Nationwide received.

However based on the evidence I've seen, I think it was most likely Mr A making the original application. It was following this application that Nationwide lodged the CIFAS marker. The address used to support this application is an address Mr A has said he was living at with relatives during this time period. The mobile phone number and email address on the application also matched details with Mr A's.

I know Mr A has told us he lost his pay-to-go mobile in 2021 before any application was made but like our adjudicator, I think it's unlikely an unknown third party would apply for an account using details which would enable Nationwide to contact Mr A easily. Nationwide confirmed to Mr A, by email at an address I believe he held at the time, that his application was unsuccessful.

Although not the subject of the complaint, I note that subsequent applications to open a Nationwide application also used addresses that Mr A has confirmed he lived at for certain periods.

On this basis I believe there was sufficient evidence of a fraud to enable Nationwide to lodge a marker with CIFAS for a false application made in Mr A's name.

I won't be asking Nationwide to do anything further. As my colleague has already confirmed to Mr A, despite the existence of this marker, he should still be able to open a basic bank account with certain institutions.

My final decision

For the reasons given, my final decision is not to uphold Mr A's complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 27 September 2023.

Sandra Quinn
Ombudsman