

## **The complaint**

Mr C complains that Santander UK Plc closed his credit card account and recorded a CIFAS marker against his name. CIFAS is one of the UK's fraud alert services. He wants compensation for the distress caused.

## **What happened**

In August 2019, Mr C applied online for a credit card with Santander. His account was opened, but a few days later the account was blocked and then closed by Santander.

When Mr C complained, Santander would not change its decision to withdraw the offer of a credit card. But it accepted Mr C had been provided with some conflicting information and its service fell short of what Mr C should have expected. It paid him £100 compensation.

In its final response to his complaint, in November 2019, Santander also suggested Mr C obtained a copy of his credit report and request a subject access report from CIFAS.

Mr C obtained information from CIFAS in March 2020 which showed that Santander had recorded a marker against his name for a fraudulent application. Mr C referred his complaint to this service.

During our investigation, it became clear that Santander had recorded a marker for application fraud. This was because Mr C had not disclosed an address linked to him. This address had a default registered against it.

But Mr C explained that he'd never lived at the address which was a third-party bank branch address. Santander removed the CIFAS marker when our investigator made Santander aware of this information.

Our investigator didn't think Santander needed to do anything else.

C didn't agree. He replied in some detail to say, in summary, that:

- Santander should compensate him for wrongly recording a CIFAS marker against his name. He noted this service had awarded compensation in other cases where CIFAS markers have been misapplied.
- Santander was wrong to record the CIFAS marker and it wouldn't engage with him when he complained.
- Santander didn't have the required evidence to report him to the police, so it broke CIFAS principles.
- Santander has defamed him and would only remove the marker after Mr C referred his complaint to this service.

- Mr C will apply for compensation through the courts if this service does not award compensation.

### **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.

Santander initially accepted Mr C's application for a credit card. But, when it carried out further checks, it found an address linked to Mr C that he hadn't disclosed in his application. That address had a default linked to it and was the subject of another CIFAS marker. Having identified this, I don't find Santander was wrong to reject Mr C's application and I don't find it acted unreasonably in recording a CIFAS marker against his name.

Mr C complained about his account being closed. Santander accepted it hadn't provided as good a service as it should have and paid Mr C £100 compensation. I consider this to be fair and reasonable.

Based on the information Santander had in 2019, I think it had enough to record a CIFAS marker – Mr C was linked to an address where he had a default for a mortgage that he hadn't disclosed. I don't find there was any obligation on Santander to make any further enquiries about that address.

Mr C obtained the information about the marker from CIFAS in March 2020. I can't see that he complained to Santander about the marker. He only raised this when he referred his complaint to us. And, when he did so, he told us that the address was a bank branch address.

We made Santander aware of this information and it arranged to remove the marker. I've not seen evidence to show that Mr C contacted Santander to tell it about the address. So I think Santander acted as soon as it became aware of what had happened.

I understand this has been upsetting for Mr C. But I don't find that Santander did anything wrong. It acted reasonably on the information that was available. For that reason, I don't find that needs to compensate Mr C.

Mr C is free to reject my decision and pursue his complaint through other means, as he has suggested he will do.

If he has not already done so, Mr C may wish to contact the third party bank whose address he has been linked with to ensure this is removed from his credit file to prevent any problems with financial applications in the future.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 January 2021.

Elizabeth Dawes  
**Ombudsman**