

The complaint

Mr J complains that The Mortgage Lender Limited has unfairly recorded a Cifas marker against him.

What happened

In December 2021, Mr J applied for a mortgage with The Mortgage Lender through a broker. In January 2022, it declined the application.

In May 2024, Mr J found out that The Mortgage Lender had recorded a Cifas marker against him in January 2022. It said there were inconsistencies between the information he'd provided to support his application and information held by third parties.

Mr J complains that The Mortgage Lender was wrong to place a Cifas marker against him and that it did not give him specific details about the alleged discrepancies. He wants The Mortgage Lender to remove the Cifas marker.

The investigator did not think the complaint should be upheld. She thought that it was reasonable for The Mortgage Lender to record a Cifas marker against Mr J bearing in mind the evidence it had. Mr J did not accept what the investigator said.

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.

Recording a Cifas marker against someone is a serious step by a financial business. A marker should only be recorded if there are reasonable grounds to believe a fraud or financial crime has been committed or attempted and the evidence must be clear, relevant and rigorous.

The standard is not, however, that fraud has been proved. Rather, it is that there is a reasonable suspicion that fraud has been committed or attempted. In considering this complaint, I am deciding whether it was fair and reasonable for The Mortgage Lender to decide the threshold to record a Cifas marker has been met.

The Mortgage Lender has told us that Mr J provided bank statements in support of his mortgage application and that it identified a number of discrepancies in the statements. It asked Mr J's bank to check the statements and the bank confirmed that the balances on some dates on the statements did not match its records.

The Mortgage Lender has provided evidence to support the steps it took to verify the information that Mr J provided. I am satisfied that based on the information it had good reasons to consider that Mr J had provided false documentation to support his mortgage application. Therefore it was reasonable for The Mortgage Lender to record a Cifas marker against Mr J.

I agree that The Mortgage Lender could have done more to tell Mr J why it had recorded the

Cifas marker when he first complained. But I don't consider The Mortgage Lender needs to do anything else bearing in mind I've found that it had sufficient evidence to support recording the Cifas marker against Mr J.

My final decision

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 J to accept or reject my decision before 11 December 2024.

Ken Rose
Ombudsman