

The complaint

Mr O complains that Santander UK Plc (“Santander”) unfairly lodged a marker against him with a fraud prevention agency and racially profiled him whilst visiting a branch.

What happened

Mr O explained that towards the end of 2020, he was sent £200. In early 2021, Santander received information from the sending bank that those funds were the result of fraudulent activity.

Santander made several attempts to contact Mr O before they were able to discuss the payment. Mr O told Santander he couldn’t remember what the payment was for. Santander attempted to contact Mr O on several other occasions to ask him about the transaction, but nothing further was heard from him. Santander decided to close the account and wrote to Mr O about this. After Mr O settled his outstanding overdraft, the account was permanently closed.

Santander decided, based on the information they’d been given about the payment, including Mr O’s responses, to place a fraud marker against him with Cifas (a fraud prevention agency). It wasn’t until 2024 that Mr O became aware of the marker when he found that a job offer was withdrawn based on the presence of the marker.

Mr O complained to Santander about the marker, arguing it was unfair. Mr O said he visited a local branch at the time to discuss the account closure (Santander have no record of this visit) where he said that the employee didn’t listen to him. Mr O believed that this led to a judgement of his character that resulted in the placement of the marker.

Santander concluded their investigation into Mr O’s complaint and wrote to him in April 2025, explaining that as there was no evidence to show Mr O was entitled to these funds, they closed his account. Santander confirmed they wouldn’t change the Cifas marker.

Mr O then brought the complaint to the Financial Ombudsman Service where an investigator asked both parties for information about the issue.

Mr O was able to say:

- He was frustrated and concerned with how Santander had placed a Cifas marker against him which has made obtaining work or credit much more difficult.
- He couldn’t recall who sent him the money or how they obtained his account details and knew nothing about fraud.
- Someone else used his details for fraudulent purposes.
- Mr O believes that he was naïve by providing his card details to someone. Mr O later said he’d sent his account and sort code details to someone who he didn’t know and shouldn’t have trusted. It was that person who sent him the funds.

- He said he was aware of the funds in his account, but thought it was a friend sending money.
- Mr O said he didn't understand Santander's request to show he was entitled to the funds.
- He believed he was racially profiled when visiting the branch based on how the staff member conducted herself. Mr O said she was describing his movements to someone she was on the phone to, which made him feel uncomfortable. Mr O said she was dismissive and ignorant.
- Mr O denies being involved in any fraud or criminality.
- He believes it was unfair for the marker to be lodged against him.

Santander provided details of the account movements, interaction with the sending bank and details of their investigation, which in summary showed:

- Mr O received fraudulent funds from another bank account which was also in Mr O's name.
- He sent those funds to himself.
- Other fraud reports had been received by the sending bank concerning Mr O's account and they were closing it as a result.
- Mr O was using his mobile banking app at the time the funds were received and then quickly removed them from his account via a cash withdrawal.
- Mr O couldn't explain the reason for receiving those funds or what they were for.
- Santander wrote to and called Mr O on numerous occasions to obtain information about the £200. They then decided to close the account and lodge a marker based on their review of the evidence.

After initially reviewing the evidence, the investigator didn't think that Santander had shown sufficient evidence to lodge the marker against Mr O. Further evidence was provided by Santander which changed the investigator's mind. A second report was issued that concluded Santander had acted reasonably. Mr O's complaint wasn't upheld.

He disagreed and asked for a further review of his complaint. Mr O continued to argue that Santander had unfairly lodged the marker against him. He maintained he knew nothing about the source of the funds or was involved in the fraud.

He further added that Santander closed his account as a precautionary measure to protect him, rather than as proof he was involved in the fraud.

Mr O argued that Santander made insufficient attempts to contact him and their in-branch service failed to support him due to discrimination.

Also that Santander were unclear about what they wanted to show entitlement to the funds and the burden of proof lies with them, which Mr O doesn't believe they met.

As no agreement could be reached, the complaint has now been passed to me for a decision. As part of my own investigation, I asked Mr O for some further information about what happened.

I explained to Mr O that he hadn't provided Santander or our service with an explanation for the funds he received or why he sent them to himself (despite saying others did it). I wanted to know why he took those funds straight out of his account as cash.

In response, Mr O said he assumed someone else used fraudulent funds and sent them to him. He also said:

"Keeping my money in my bank or transferring it into another account in my name, most likely to pay an urgent bill. Does not prove a fraud was committed."

I sent a follow up request to Mr O, explaining to him that his lack of a more detailed explanation was unhelpful to his complaint. I didn't think that the closure of two accounts would be something he didn't remember more about. I went on to explain that the way the funds were handled is often indicative of knowledge about the source of the funds, but there could've been a reasonable explanation for the receipt and use of the funds. I asked Mr O to provide details of the payment he sent himself. Despite reminders, Mr O has stopped responding.

I also wanted to understand more about his allegation of discrimination. I explained that once we became aware of it, we asked Santander about the branch visit. Santander have no record of such a visit or records of an allegation about the conduct of the branch employee. I asked Mr O if he could remember anymore about the visit or describe the employee. It was noted that the branch had shut down some time ago, so I was unsure what information, if any, would be available. Mr O has not responded.

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.

Before applying a marker against someone, Santander are required to meet certain standards laid down by Cifas. Two of those requirements are particularly important here:

- That there are reasonable grounds to believe that a Fraud or Financial Crime has been committed or attempted;
- That the evidence must be clear, relevant and rigorous.

Santander were in receipt of information from the sending bank that identified the funds paid into Mr O's account were from fraudulent activity. Santander followed this up with the sending bank who advised numerous other fraud reports had been received about the account and as a result, they were closing it down.

So, for the purposes of this complaint, I'm satisfied that Santander had sufficient evidence to meet the first requirement above.

The second requirement, that the evidence must be clear, relevant and rigorous requires Santander to investigate the issue and approach Mr O to seek his explanation about the funds in question before making a decision as to whether they think they've met the relevant standards.

Mr O has expressed a view that he didn't quite understand what Santander wanted to know about his entitlement to the funds – but having considered what Santander asked, I don't think it's reasonable to conclude they were unclear about what they wanted from Mr O. Santander's request was fairly straightforward – they wanted to know who sent the funds

and why Mr O had received them?

In my view, Mr O has been reluctant or declined to offer any form of sufficiently detailed explanation about those funds and why he received them, also why he was so quick to remove the funds (in cash) from his account. The evidence shows he was using his mobile banking at the time the funds were sent to his account, followed quickly by the cash withdrawal. This can often be seen as taking the funds out of the banking system in order to frustrate any later recovery.

Mr O proffered several explanations about the “sender” of the funds, generally saying he shouldn’t have trusted them, didn’t know how they’d got his details and he wasn’t responsible for them. Essentially here, Mr O was denying knowledge of the source of the funds or how they got into his account.

It’s not until his final response to my question that he infers he sent them to himself. I haven’t been persuaded by his explanations concerning the account and it appears to me that he tried to distance himself with vague answers and telling Santander that he didn’t remember the payment. Given the two account closures and how the funds were received and spent, I find it difficult to believe Mr O had no recollection of the incident.

Regarding the payment itself, I’m satisfied that it came from an account in Mr O’s name and based on his latest correspondence, he sent it from that account to his Santander account. So, for the purposes of this complaint, I’m satisfied the incoming payment was authorised. It’s relevant to this complaint to determine authorisation, as up till very recently, Mr O was denying knowledge of those incoming funds.

So, the circumstances are now slightly clearer, Mr O sent funds to himself that were the result of a fraud. Information obtained by the bank shows funds sent from Mr O’s account to other accounts, presumably additional funds being moved away from his other account. Whilst I haven’t looked any further into those transactions (as It’s not directly relevant to this complaint), the patterns of moving money between other accounts can often be seen in this type of situation to try and frustrate the recovery of them.

Mr O has had ample opportunity to explain what happened and as I told him there may be a reasonable explanation for this series of events. He’s not responded, so I’ve concluded this complaint based on what information I do have.

I do think that Santander met the requirements set out by Cifas and they had sufficient evidence to lodge the marker. I’m satisfied they provided Mr O with numerous opportunities to explain the reason for having and using those funds. I think it was both fair and reasonable that Santander lodged a marker with Cifas, so I won’t be asking them to do anything.

Alleged breaches of the Equality Act 2010 are a matter for the courts to determine – and so I cannot make a finding on whether or not Santander has acted unlawfully in discriminating against Mr O on the basis of a protected characteristic.

But I can consider whether Mr O was treated in a fair and reasonable manner and whether I think he was treated differently to other customers. But, given the overall lack of evidence available for me to consider, I’ve been unable to make a finding on this element of Mr O’s complaint.

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 O to accept or reject my decision before 29 October 2025.

David Perry
Ombudsman