DRN-5682569

The complaint

Mr T complains that Starling Bank Limited recorded a Cifas marker against his name.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In November 2021 Starling received an application for an account in Mr T's name. The application was declined as Starling had some concerns about the proof of address documentation that was supplied. Starling also reported to Cifas that they had received a false application based on false documentation.

When Mr T later learned that a Cifas marker had been recorded against his name, he complained to Starling. In summary he said when he moved to the UK he paid a friend of his to make applications on his behalf as English wasn't his first language. Starling reviewed their decision and concluded that they'd acted correctly.

Mr T referred his complaint to our service and one of our Investigators didn't recommend it should be upheld. He said Starling's decision to record the Cifas marker was fair. Mr T disagreed and asked for an Ombudsman to review his complaint. In August 2025 I issued a provisional decision in which I said:

"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 Investigator and for broadly similar reasons. I know this will be disappointing for Mr T, so I'll explain why. But as I'm introducing some additional reasoning, and I wanted to provide some clarification on certain facts, I'm issuing this provisional decision to give both sides an opportunity to comment before my decision is finalised.

Firstly, I think there has been some confusion between Starling, Mr T and our Investigator. This is in part because Starling's complaint response letter (from April 2023) referred to 'reports received regarding payments into the account'. But other evidence from Starling says that whilst they received applications, an account for Mr T was never actually opened (and so presumably, no payments were received). I think it's most likely that this was an error in Starling's complaint response and that no account was opened. If either party has evidence that contradicts this, I'd be happy to consider it if submitted in response to my provisional decision.

The marker Starling recorded was for "application fraud" or "false application" against Mr T. Starling isn't required to prove beyond reasonable doubt that Mr T is guilty of a fraud or financial crime but they must show that there are grounds for more than mere suspicion or concern. CIFAS says:

- *"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;
• The conduct of the subject must meet the criteria of one of the case types;
• In order to file the member must have rejected, withdrawn or terminated a product on the basis of fraud unless the member has an obligation to provide the product or the subject has already received the full benefit of the product."

What this means in practice is that Starling must be able to show that Mr T was deliberately dishonest when applying for his account with the bank.

To meet the standard of proof required to register a CIFAS marker, the bank must carry out checks of sufficient depth and retain records of these checks.

The relevant finding for me to make is whether I think there is sufficient evidence to meet the standard of proof, to determine whether Starling were entitled to escalate their concerns. I've thought about whether I'm satisfied with the evidence Starling have provided first, before moving on to consider Mr T's response.

I've seen a copy of one of the documents provided in the course of the account application made in November 2021. This document was shared with Mr T by Cifas and is in the form of a utility bill which I agree clearly appears to have been amended. Starling have also shared other information about the document with us in confidence and which I can't share here, but it also supports that the document wasn't genuine. Overall, I think Starling have demonstrated that their checks were of sufficient depth. And they also retained their records of these checks.

Mr T has told us that he'd paid a friend to open this (and several other) bank accounts for him. And that it wasn't him who submitted the altered document. He's provided some evidence from around the time to support that another person was also involved in some of the applications.

I think, on balance, that Mr T had meaningful involvement in the account application himself. I say this because there is video evidence of him confirming his identity to Starling as a part of that process which matches the picture of Mr T from his passport. Starling have also confirmed that their system requires that the document for proof of address is submitted from the same device as the video selfie and on the same login. With this in mind, I think it's more likely than not that Mr T submitted the amended utility bill and that he would've known at the time that this wasn't a genuine document. Presumably the benefit in doing so for him would've been to have facilitated the opening of the account. This leads me to conclude that Starling had sufficient evidence to conclude that fraud was likely attempted. So taking all the evidence together, I think Starling acted fairly when reporting to Cifas as they did.

Mr T has more recently shared a statement from the same friend that he'd paid which says he accepts responsibility for submitting the application and apologising for not following the proper procedure. I've taken account of this, but I haven't placed as much weight on it as credible evidence. I think it's likely that a friend would want to support Mr T's complaint, and the statement stops short of the friend admitting to acting fraudulently. I'm more persuaded by the evidence from Starling as to the requirements of their system as to whose login / device submitted the document as part of the application.
I appreciate that Mr T will be disappointed with my decision, and I fully appreciate the impact the marker may be having on him. But for the reasons set out above, I don't think Starling has acted in a way that is unfair or unreasonable in the circumstances."

Starling didn't respond to my provisional decision. Mr T provided a response which I'll address below.

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.

Mr T confirmed some of what I've said above, confirming he didn't receive any payments into the account. I've not seen evidence to support that the Cifas loading by Starling was in relation to more than the account application. He also said that he was unaware of any false documentation. He says the address used was his friends. And that he went to his friend's home, at his request, and completed the video selfie on the friend's device. He says this explains why that device was associated with the application. He also re-iterated the letter from his friend accepting responsibility for the situation.

I've considered Mr T's further points, but they don't change my mind as to the outcome of this complaint. Mr T contacted Starling to dispute the Cifas Marker in January 2023. In that email he gave his address as the same one used in the application where the amended document was provided. His email also referred to a document containing his National Insurance number sent to him by a government department which again displayed the same address. So, I don't think that address belonged to the friend as Mr T has since suggested.

Starling are also primarily an online / app-based bank. So if Mr T had used the device of a third party (even accounting for the 'assistance' he said he was paying for) to set up the account, this strikes me as an unusual step to take. This would've meant that Mr T likely would've needed to access his friend's device to service his account. Further to this, some of the evidence Mr T provided included information about other accounts being opened. And on some of those, Mr T was being asked to go online to activate cards etc. This suggests that he had those banking apps on his own phone. Based on this, I think it's more likely than not that he also had the Starling app on his own phone and not his friends as he's suggested. Overall, having thought about all Mr T has said, for the reasons given above, I'm not persuaded to deviate from the outcome explained in my provisional decision.

My final decision

For the reasons outlined above, 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 T to accept or reject my decision before 10 September 2025.

Richard Annandale
Ombudsman