

The complaint

Mr C complains that Lloyds Bank Plc have left markers against him with the National SIRA fraud prevention database. He'd like the markers removed.

What happened

Mr C used to hold accounts with Lloyds. But in October 2022 Lloyds wrote to say that they would be closing his accounts in 60 days' time. He complained, but Lloyds did not change their mind, and the account was closed.

In 2024 Mr C discovered that Lloyds had recorded markers against him with SIRA, which said "refer". He believed this led to his accounts with a third-party bank to be closed. He complained to Lloyds, who responded to say that they were satisfied that the markers were appropriate and would not be removing them.

Dissatisfied with this Mr C referred his complaint to our service. He felt that Lloyds had added the markers because he had raised several chargebacks – but said that he has evidence the chargeback requests were genuine.

One of our investigators looked at what happened. He found that the issues around the original closure of Mr C's account had been referred to our service out of time. But he said we could consider the reasons for the closure in relation to Lloyd's decision to place the markers. Our investigator felt that Lloyds were within their rights to record the marker and didn't think they reasonably needed to be removed.

Mr C disagreed and asked for an ombudsman to consider his complaint. As such the complaint has been passed to me to decide.

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.

The type of marker Mr C is complaining about it usually recorded when a business has concern about the activity that has taken place on an account. This means that it will be visible to other members of SIRA.

There's no specific obligation on a bank to explain to their customer why they've recorded a marker, or what it specifically relates to. Here Mr C believes it relates to the closure of his account and believes this was a result of a number of chargeback claims he raised. He has given us some information about the disputes he had with merchants at the time. He says that where he was living at the time packages often went missing, so this is why he was disputing deliveries with the merchants.

Lloyds have provided more information to our service about why they've chosen to record this marker. The rules of our service allow us to treat certain evidence in confidence, if for example it involves information about third parties or security procedures. Here, I'm

persuaded that Lloyds reasoning should remain confidential, so I'm sorry to Mr C that I won't be detailing it in full.

I'm persuaded that Lloyds' decision to record the marker is reasonable. There is a difference in the evidence required for Lloyds to record a marker with SIRA, and the standard of proof to say someone has committed fraud or some other financial crime. Here I'm satisfied that Lloyds had genuine concerns about the use of Mr C's account, and the recording of the marker is proportionate to those concerns.

I've considered the additional information Mr C has provided, but I don't see that this would be enough to allow or satisfy the concerns that Lloyds had. As such, I don't see that they reasonably need to remove the markers.

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 C to accept or reject my decision before 15 December 2025.

Thom Bennett
Ombudsman