

## **The complaint**

Mr S complains that Santander UK Plc unfairly recorded adverse information about him with fraud prevention agencies.

## **What happened**

Around February 2020, following a review by Santander into some transactions carried out via Mr S's account, the bank decided to load a Credit Industry Fraud Avoidance Scheme (CIFAS) marker against his name.

In summary, at the time, Mr S had received some payments into his account that was brought to Santander's attention as being the product of fraudulent activity. The bank asked Mr S to explain the payments – unsatisfied with his explanation, Santander decided to terminate its relationship with him. The bank also reported Mr S to fraud prevention agencies, including CIFAS.

Mr S requested a review at the time and Santander explained that it had retained the marker despite his appeal. The bank didn't issue a final response to Mr S's complaint about this until earlier this year, in which it concluded that it had acted fairly.

The marker that was loaded with CIFAS was originally due to remain on record for six years. However, due to recent retention changes made by the agency, the marker recorded against Mr S's name has since been removed.

Mr S remains unhappy that the adverse information recorded by Santander continues to affect him. He says his professional and financial life has been disrupted because he's had difficulty opening an account elsewhere. And where he has been able to open an account, Mr S says he's found that third-party banking providers are conducting reviews. Mr S says he's found it difficult to establish essential financial services under his name, impacting his prospects and ability to be paid wages, as well as access his housing needs.

Mr S wants Santander to review any markers it has recorded with a view to remove them, so that he's no longer impacted by the adverse information recorded against his name. He also wants the bank to compensate him for the distress caused.

Following Mr S's referral of his complaint to this service, one of our investigators concluded that Santander had acted fairly. Mr S doesn't agree because of the long-term impact the adverse information has had on him. Because he doesn't agree, the complaint has been passed to me for a final review.

## **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.

I'd like to start by saying that I've considered all the arguments and evidence provided by both parties, but in this decision, I'll be referring to and focusing on what I consider to be the

main points. No discourtesy is intended by this. We aim for our decisions to be as concise as possible.

Having reviewed everything, I've decided not to uphold this complaint. I realise Mr S will be disappointed to hear this – I'll explain my reasons.

I can see that, around the time of its review in 2020, Santander reported to CIFAS that there had been a 'misuse of facility'. Adverse information such as was originally due to remain for six years. However, because CIFAS recently made changes to its retention periods and because Mr S was aged around 18 at the time, the marker has been removed earlier. Santander confirmed that it took no action to arrange this, so the removal of the marker is likely down to CIFAS' review.

Although Mr S may think otherwise, I also note from the records he's provided, that adverse information had also been recorded under a different fraud prevention database – National Hunter. Specifically, I can see it's been recorded - "false instrument(s) paid in". It's my understanding that this will remain on the database for six years and it's possible this explains some of the challenges Mr S has faced with other banking providers.

To record such information on fraud prevention databases, Santander needed to ensure it had enough evidence to meet the required burden of proof, under the relevant agency rules. Regarding CIFAS, it says that the evidence needs to be clear, relevant, and rigorous. I've reviewed all the information Santander provided and what Mr S has said. I'm satisfied the evidential threshold is met.

Both parties are aware of the submissions Mr S made at the time, when Santander asked him about the transactions it was reviewing – so I won't detail them in full. It seems clear to me, and Mr S also seems to accept that his explanation for why he received the payments in question has been inconsistent. In 2020, he indicated the funds were received so that he could pay for a group holiday. The following year, he informed Santander that the funds were repayment of a debt owed to him by family. Santander also says Mr S has since accepted his version of events was inaccurate at the time.

I've also seen some of the evidence Mr S provided to support his explanation, including SMS messages with a third party. But I'm not persuaded that this evidence and Mr S's explanation demonstrates that Mr S was an unwitting party to fraud. So I'm satisfied Santander fairly decided to record adverse information against his name.

Mr S says he was vulnerable at the time and had little support. He says he was surrounded by individuals involved in illicit activities and accepts he should have been honest with the bank at the time. Mr S adds that he didn't realise the impact these circumstances would have had on him in the years to follow and feels he was in a vulnerable position – so he failed to respond accurately at the time.

I have no doubt that Mr S faced challenging circumstances at the time. But I'm not persuaded that this explains why he provided an inaccurate version of events to Santander. He also now seems to suggest that he knew (or at least suspected) the receipt of the funds may have been the product of illicit activities. So I think it's likely Mr S was reasonably aware that he was facilitating fraud.

Ultimately, my remit is to decide whether Santander acted fairly based on the information that was available to the bank at the time. Given what I've said above, I'm satisfied Santander's actions were reasonable.

Mr S also points to internal markers that he thinks Santander may have recorded that could

be affecting his ability to obtain banking services elsewhere. Whether or not Santander has recorded an internal marker is information that's commercially sensitive. So this isn't something I can instruct the bank to share with Mr S and, in line with our rules, is information this service can only consider in confidence. So I won't be commenting on whether the bank has recorded an internal marker. Nevertheless, such a decision would be a commercial decision that Santander is entitled to make and, as we're not the regulator, it isn't something I have the power to reach a finding of fairness on.

I acknowledge the difficulties Mr S has faced and continues to face because of the adverse information recorded against him. However, Santander has a responsibility to report accurate information about Mr S and I'm satisfied it has done so fairly. So I'm not asking the bank to do anything more regarding this complaint.

### **My final decision**

For the reasons explained above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 January 2026.

Abdul Ali  
**Ombudsman**