

## **The complaint**

Miss M has complained TSB Bank plc lodged a fraud-related marker on the industry fraud database, CIFAS, in her name.

## **What happened**

Miss M held an account with TSB. This wasn't her only account so when her cousin needed somewhere to enable his universal credits to be paid, Miss M allowed him to use her account.

A payment of £80 was received into Miss M's account on 19 February. The person who sent this money disputed this transaction and TSB contacted Miss M to query the payment. Miss M didn't understand what this was about as she didn't use this account.

She queried this with her cousin and found that this was a dispute he was having about the supply of services.

TSB closed the account as Miss M was in breach of their terms and conditions, and a fraud-related marker was lodged on Miss M's record with CIFAS.

Miss M subsequently discovered this as it was causing her difficulties with her main account being closed. She asked TSB to remove the CIFAS marker. TSB didn't feel they'd done anything wrong and refused her request.

Miss M brought her complaint to the ombudsman service.

Our investigator reviewed the evidence. She felt that TSB didn't have enough evidence to show Miss M had received money fraudulently. She asked TSB to remove the marker.

TSB didn't agree with this outcome as they felt Miss M had clearly breached her account terms and presented a risk to banks and financial service providers. Miss M's complaint has been referred to an ombudsman.

## **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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

It is clear what the requirements are prior to lodging a marker. Specifically:

*"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."*

TSB must be able to provide clear evidence that an identified fraud was being committed,

and Miss M was involved. This evidence must go beyond a suggestion of Miss M's involvement.

There's also a requirement that TSB should be giving the account holder an opportunity to explain what was going on.

I've seen the evidence provided by TSB. This confirms they received a notification that an individual had sent money to Miss M's TSB account as the result of not receiving services they believed they'd purchased. This was a payment for £80.

They queried this with Miss M who was surprised by what had happened. She admitted she'd allowed her cousin to use her account and didn't know anything about what had gone on.

Miss M has shared a number of messages between herself and her cousin. Undoubtedly these show her shock and concern about what happened and the impact this was having on her – in reasonably colourful terms.

I've considered what TSB has stated to our investigator. But from the tone of these messages, I'm in no doubt that Miss M was unaware that her cousin could have been receiving funds he may not have been entitled to. In fact, she was allowing him to use her account to receive his universal credit payments as he didn't have an account of his own. I think it's also clear from this evidence that she won't be letting anyone else use her account any time soon.

Miss M clearly breached the terms and conditions of her account, which she doesn't dispute. However, I've not seen enough evidence to show me that she was aware of potential fraudulent use of her account. This aspect is also required if a CIFAS marker is to be lodged.

Therefore, I am satisfied TSB don't have sufficient evidence, as required by the CIFAS rules, to show Miss M's involvement in any fraud. I will be asking them to remove the CIFAS marker.

I have considered whether TSB should be paying compensation to Miss M for the incorrect lodging of the marker. But like our investigator, it's clear that her actions enabled her cousin to misuse her account, so I won't be asking TSB to pay compensation.

### **My final decision**

For the reasons given, my final decision is to instruct TSB Bank plc to remove the CIFAS marker from Miss M's record.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 26 December 2025.

Sandra Quinn  
**Ombudsman**