

The complaint

Mr J has complained Lloyds Bank PLC lodged a fraud-related marker on the industry fraud database, CIFAS, in his name.

What happened

Mr J historically had held personal and loan accounts with Lloyds. In 2020 he'd opened a number of different-named business accounts.

In 2021 he received a letter from Lloyds confirming they'd be closing his accounts in two months' time, in line with their terms and conditions. He was told that a review after a new account application had identified a CIFAS indicator.

Mr J subsequently believed he was having difficulties finding another bank account. He tried to track who had lodged any marker on the CIFAS database and submitted subject access requests to various banks.

After negative responses from other banks, Mr J believed this had been done by Lloyds. The subject access information he received from Lloyds showed this had been done by another bank (who I'll call S). Mr J said he had never had an account with S. He'd also received confirmation from CIFAS that – based on the details he'd provided them – they had no record of any marker lodged with them.

The subject access information Mr J received from Lloyds also indicated that at least one personal account in Mr J's name had remained open, despite Lloyds closing all the related business accounts. £20.04 remained in this personal account. Lloyds confirmed to Mr J that a CIFAS marker had been loaded by S in April 2021. They also confirmed they were closing the remaining personal account and wished to offer him £50 for this inconvenience.

Mr J believed issues he'd suffered had been caused by Lloyds and he was seeking compensation. He felt business and financial failure had resulted. He's also talked to S who denied they'd loaded any CIFAS marker. He brought his complaint to the ombudsman service.

During the investigation, Mr J obtained a further update from CIFAS confirming there was nothing related to his name, date of birth and addresses supplied by Mr J. Mr J also lodged a complaint with S as he admitted holding an account with them many years previous.

Our investigator confirmed she wouldn't be upholding Mr J's complaint. The evidence shared by Lloyds confirmed what loading they had noted in 2021, and that this had been placed by S.

Mr J continued to feel he wasn't getting to the bottom of what happened. He's asked an ombudsman to consider his complaint.

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.

I have reviewed the evidence provided by Lloyds. This has confirmed "*there is no record, and there never has been, a CIFAS marker placed by Lloyds Bank*".

They have also confirmed – and showed how they discovered this data in 2021 – that a category 7 marker was placed by S. Category 7 markers are about an evasion of payment or theft of an asset. In this case, I can see this relates to a substantial financial amount and arose from a business account Mr J had held with S, in the name of a limited company. This isn't a company name that Mr J used when applying for accounts with Lloyds.

It is possible that any CIFAS marker relates to this limited company name which is why CIFAS has told Mr J that there's nothing related to his own name.

I appreciate Mr J doubts this evidence as he has already approached S and been given a negative response. However, I have no reason to doubt the evidence Lloyds has given our service and believe I can accept this at face value.

I appreciate this doesn't resolve things for Mr J and he must feel he's being pushed from pillar to post. With the benefit of the evidence that Lloyds has shared with our service, our investigator has arranged for S to call Mr J to explain what may have happened. I hope that resolves issues.

This doesn't change the fact that there's no evidence to suggest Lloyds has done anything wrong in relation to the CIFAS marker.

I can see that a personal account was left open in error. Lloyds confirmed in their final response to Mr J in January 2025 that they were giving him notice that this account would also be closed. There are funds remaining along with £50 compensation offered by Lloyds. I leave it to Mr J to accept this offer directly with Lloyds.

My final decision

For the reasons given, my final decision is not to uphold Mr J's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 16 January 2026.

Sandra Quinn
Ombudsman