

## The complaint

Miss A has complained Starling Bank Limited lodged a fraud-related marker on the industry fraud database, CIFAS, in her name.

## What happened

Miss A opened an account with Starling in July 2022. In October 2024 Starling identified payments into Miss A's account that they felt were unusual. They queried two payments of £250 with Miss A on two different occasions. Miss A didn't respond to Starling.

Starling believed they had sufficient evidence to lodge a CIFAS marker and closed Miss A's account.

Miss A discovered Starling had lodged a CIFAS marker in her name as she found her other accounts were closed and she was unable to open a new account. She complained to them in March 2025, but Starling wouldn't remove the marker.

Miss A brought her complaint to the ombudsman.

Our investigator noted the testimony Miss A had shared with our service. This included her confirmation she'd allowed her brother to use her account and shared her card and PIN with him. The disputed payments were money he'd told her a friend had paid in and he'd taken out cash from her account and paid that friend. She didn't have any copies of messages between her and her brother, nor did her brother have any messages with this friend. Overall, our investigator felt Starling had enough evidence to lodge a CIFAS marker.

Still unhappy, Miss A has asked an ombudsman to consider her complaint. She explained she'd done nothing wrong and felt that this marker was disproportionate.

## 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.”*

Starling must be able to provide clear evidence that an identified fraud was being committed, and Miss A was involved. This means that they must have more than a suspicion or a concern that Miss A may be involved.

There's also a requirement that Starling should be giving the account holder an opportunity

to explain what was going on.

I've seen the evidence provided by Starling. This confirms they firstly identified unusual payments into Miss A's account. This followed their awareness that within a year, much more money was paid into her account than Miss A had led them to believe. In fact more than double what she'd said.

Starling then received a notification from another bank about two payments sent to Miss A's account in October 2024. It's clear these were fraudulent as this followed the theft of someone's phone and unauthorised transactions being made.

After receipt of these funds, Starling could see a cash machine withdrawal made for £250. Further attempts to make further cash machine withdrawals were made but the account had already reached its daily withdrawal limit. This does suggest to me that it could well have been someone who wasn't the main account holder using the card to make these attempted withdrawals. There were then various payments made but other funds remained in Miss A's account.

Miss A has told our service she was helping out her brother who was unable to open an account for himself. She'd given him access to her account and let him use her card and PIN. There's no doubt this would be against the terms and conditions of her Starling account so those grounds alone would account for Starling taking action to close her account.

Miss A has been unclear about whether she saw the messages Starling sent to her asking about the two disputed payments or just ignored them. What's clear is that she never provided any evidence to Starling about what was going on.

Miss A has argued that she didn't have any use of these funds. What I see, though is that there is just normal account use. It's not completely clear whether the use of the remaining £250 left in her account is made by either herself or her brother.

I have considered that, if Miss A had allowed her brother to use her account, then it would have been practically impossible for her to stop payments – that she knew nothing about – being made into her account. What concerns me is that there is nothing to suggest this concerned her in any way and she was prepared to spend the money within the account.

However, I think on balance that by the time these payments were made into her account, Miss A would have been aware these funds were fraudulent.

I have taken into account Miss A's relative youth at the time. I'm satisfied Miss A knew enough about what was going on and was willing to be involved to gain funds.

Miss A has argued that a fraud marker is disproportionate. However, as she was only 18 at the time, this will only remain on her record for three years.

Having reviewed Starling's evidence, I'm satisfied Starling had enough to lodge the CIFAS marker. On this basis, I don't believe it would be fair and reasonable to ask Starling to remove the CIFAS marker.

### **My final decision**

For the reasons given, my final decision is not to uphold Miss A's complaint against Starling Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept

or reject my decision before 16 March 2026.

Sandra Quinn  
**Ombudsman**