

The complaint

Mr A has complained Zopa Bank Limited lodged a fraud-related marker on the industry fraud database, CIFAS, in his name.

What happened

When he was just 18 years old, Mr A opened an account with Zopa in July 2025 to sell tickets. His main account was held with another bank. The day after he opened the account, a payment of £140 went into his account and was almost immediately disputed by the sender.

Zopa could see that Mr A instantly spent the funds he'd received so was concerned that Mr A was involved in fraudulent behaviour.

Zopa closed Mr A's account and lodged a fraud-related marker on his record with CIFAS.

Mr A subsequently asked Zopa to remove this.

Zopa didn't feel they'd done anything wrong and refused to remove the marker.

Mr A brought his complaint to the ombudsman service.

Our investigator reviewed the evidence and initially believed there was enough to suggest that this credit was the subject of a buyer-seller dispute rather than fraud. He asked Zopa to remove the marker and provided them with evidence which Mr A had shared with our service. Zopa subsequently provided evidence of further fraud reports they'd received about Mr A's ticket selling. Our investigator revised his view and wouldn't ask Zopa to do anything further.

Mr A didn't agree with the view and has asked an ombudsman to consider his complaint. He felt that he'd provided as much as evidence as he could find to show that he was genuinely involved in ticket selling. He was adamant that he wouldn't do anything to jeopardise the financing of his future education, which the CIFAS marker has affected.

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 a different outcome to the one our investigator finally made. However, as all parties have already commented on the same outcome, I have completed this as a final decision. I'll explain my decision.

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.”

So Zopa must be able to provide clear evidence that an identified fraud was being committed, and Mr A was involved. This must go above Zopa having a suspicion of Mr A's involvement.

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

I've seen the evidence provided by Zopa. This confirms that the individual raising the fraud complaint about giving money to Mr A was complaining about a service she'd not received. This matches Mr A's story about selling tickets, and the amounts of money he was receiving.

It is unusual in these cases to see stories that match in such a way.

I've also seen the evidence from Mr A indicating that he posted his ticket sales on social media, and the arrangement he came to with the person who sent him £140 for part-payment of concert tickets. I've also seen evidence from a ticket intermediary that suggests a ticket was released to the person Mr A received £140 from.

I note that there are no dates on the screenshots Mr A has provided to confirm the sale to the individual who complained to her own bank. However, I also note that at the time of this fraud report, Zopa did not give Mr A an opportunity to explain what was going on from his side. If they had, there is a strong possibility that Mr A would have been able to share these screenshots which would have more clearly fitted to the timing of what was going on.

I appreciate that Mr A is young, but it wouldn't be that unusual for him to be involved in genuine ticket reselling. I can see why banks find this a concern as it opens them to conflicting stories and having to balance what the buyer and seller are saying.

This case clearly suggests to me that there's quite a bit of debate about the status of the original fraud report. Unfortunately, I think there is a tendency within the social media arena for these buyer-seller disputes to exist and then escalate.

I note the inconsistent evidence Mr A has provided about the timing of the payments, but I can't see that this ultimately has an impact on my belief that there's insufficient evidence to show Mr A was acting as a fraudster.

Therefore, I'm not convinced that there are grounds to show a fraud has been attempted as required by the CIFAS criteria for lodging a marker. Zopa will need to remove this marker.

That said, I can see Zopa had concerns about having Mr A as a customer. They received reports about subsequent attempted payments to Mr A's account despite them blocking and then closing Mr A's account within three days of it being opened.

I have considered whether compensation should be payable. And although I note Zopa was in error in not providing Mr A with an opportunity to tell them with his story, I've not received enough evidence about the impact of the CIFAS marker on Mr A.

My final decision

For the reasons given, my final decision is to instruct Zopa Bank Limited to remove the marker from Mr A's record with CIFAS.

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

reject my decision before 14 May 2026.

Sandra Quinn
Ombudsman