

## **The complaint**

Mr A complains that TSB Bank Plc has recorded his details with Cifas – a fraud prevention agency.

## **What happened**

On 17 February 2021 a faster payment was made into Mr A's account for £424.08. TSB were notified the funds may be fraudulent, so they asked Mr A to contact them. Mr A got in touch with TSB and said the funds were from a friend to help clear his overdraft. However, Mr A then spent this money on gambling.

When TSB asked Mr A further questions about the credit, Mr A couldn't recall the name of his friend despite having only spoken the week prior. When Mr A eventually told TSB his friend's name, it didn't match the sender of the funds and TSB said it would be closing the account.

TSB didn't uphold the complaint. They said Mr A couldn't provide proof that he was entitled to the funds received which they had been notified were fraudulent. As such TSB closed the account and applied a Cifas marker.

Our investigator didn't uphold the complaint. She said there was no evidence Mr A was entitled to the funds, so she didn't think TSB acted unfairly in applying the Cifas marker.

Mr A disagreed saying he genuinely believed the payment was legitimate. He said our investigator said TSB blocked a transaction but that she also said Mr A spent the funds on gambling which seem to contradict each other. He explained that TSB didn't ask for evidence of his communication with his friend at the time and he no longer has this evidence now and this is penalising him for TSB's failure. Mr A has said the Cifas marker has had a serious impact on his life.

As Mr A didn't agree, the complaint has been passed to me to consider.

## **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.

The marker TSB has registered in Mr A's case is a "misuse of facility". In order to record a marker for misuse of facility, TSB must be able to show a number of requirements have been met, including:

- 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.

Here, Mr A's account received a payment which was later reported as fraudulent so I'm satisfied they had cause for concern. TSB contacted Mr A and asked him to provide

evidence of his entitlement to the funds. I can see TSB wrote to Mr A on 1 March 2021 and they also said they tried to call him. Mr A contacted TSB on 12 March 2021, and I've been able to listen to this phone call.

Mr A told TSB he was expecting the funds from a friend that he'd known for approximately one year and communicated with via a social media platform. He said he'd spoken to this friend in the week before and that the friend would be crediting his account to help clear Mr A's overdraft.

During the call TSB ask for the name of Mr A's friend which Mr A could not provide straight away, but when he did, the name of the friend didn't match the name of the account the money had been sent from. I find it unusual that Mr A couldn't provide the name straight away particularly as he said he'd spoken to this individual the week before.

In the call Mr A also said he hadn't received the funds but the call handler at TSB referred to a previous call (on 18 February 2021) where Mr A contacted them because he'd tried to make a payment out of the account but this hadn't gone through. So it would seem Mr A was aware of the credit his account had received.

TSB also asked Mr A why he spent the money on gambling if the funds he received were for the purposes of clearing his overdraft. But Mr A didn't address this or provide any further information in the call to support his version of events. Again I find it unusual that Mr A couldn't answer this question which was seemingly straightforward.

Mr A has said that TSB didn't ask for evidence of his communication with his friend at the time and he no longer has this evidence now which is penalising him for TSB's procedural failure. However in his email to our service dated 14 July 2025 he also acknowledges he missed the opportunity to provide documentation when originally asked. But in any event, Mr A's testimony didn't corroborate with the account activity. And based on this I don't think TSB acted unfairly in applying the Cifas marker.

Mr A says he understands the funds were returned by TSB to the sender so this confirms he didn't retain or benefit from the payment. However, I should explain it doesn't matter whether the funds were returned to the sender or not, the crux of the matter is whether TSB have met the test (as explained above) to record a Cifas marker against Mr A's name. I think TSB have met their requirements so it follows I'm satisfied this means TSB was entitled to register the marker with Cifas.

Mr A has told us the Cifas marker is causing him distress and a great deal of difficulties. I accept Mr A likely has experienced inconvenience as a result of the Cifas marker, but as I've found TSB have not made a mistake in registering it, I can't fairly require it to remove the marker or pay any compensation for the impact it's had on Mr A.

### **My final decision**

My final decision is that I do not uphold this complaint.

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.

Marie Camenzuli  
**Ombudsman**