

The complaint

Mr C is unhappy that Barclays Bank UK Plc turned down his application to open a bank account.

What happened

In 2013, Barclays closed Mr C's bank account and passed information about the account to Cifas, a fraud prevention agency. In 2018, Mr C tried to open a bank account with another bank. His application was turned down and he was told this was because of the Cifas marker.

In 2019, Mr C's Member of Parliament (MP) wrote to Barclays to ask why it had turned down Mr C's application for a bank account. Barclays asked for further details related to the application, but didn't receive a reply. Barclays then wrote to the MP to say that it couldn't provide any specific information because it hadn't been provided with enough information to locate an application from Mr C. However, if Mr C had an application rejected, it would be because he didn't currently meet its banking criteria.

Barclays wrote to the MP again to say that it had reviewed the decision for closing Mr C's account in 2013 and identified that it had taken the correct action in closing his bank account, but it shouldn't have applied the Cifas marker. It had now removed it. Barclays confirmed that it had offered Mr C £150 compensation, which he had accepted.

Mr C complained to this service about not being able to apply for a bank account with Barclays. Our investigator didn't uphold the complaint. He said that it was a commercial decision who banks chose to accept as a customer.

As Mr C did not agree, the complaint has been referred to me.

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.

Mr C was unable to open a bank account with another bank due to Barclays passing his details to Cifas in 2013. When Barclays looked into this more recently, it realised that it shouldn't have applied the Cifas marker and arranged for this to be removed and paid Mr C compensation. I'm therefore satisfied that Barclays has already addressed an underlying issue that only came to light when he attempted to open an account with the other bank. However, the main focus of Mr C's complaint is that he now wants to open a bank account with Barclays.

I think there has been a misunderstanding in this case. The response from Barclays to the MP about any recent applications was a general answer and wasn't specific to Mr C, as the MP didn't provide enough information for Barclays to check whether Mr C had recently applied for a bank account. Barclays therefore wasn't saying that Mr C couldn't apply for a bank account, it was saying that if he had, and that application had been turned down, it would have been based on Barclays' banking criteria.

I asked Mr C to provide details for any recent applications that he had made to Barclays. He wasn't able to provide any information. I therefore asked Barclays to check its records for any applications using Mr C's recent addresses. Barclays checked and said that it hadn't turned down any applications from him. It confirmed that if Mr C still wanted to apply for a bank account, that it would consider the application. I understand that Mr C has now applied for a bank account with Barclays and was able to open the account.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 August 2020.

Louise O'Sullivan
Ombudsman