

## **The complaint**

Mr S complains that Barclays Bank UK PLC has unfairly registered a fraud marker at CIFAS, the national fraud database.

## **What happened**

Mr S made an application for an account at Barclays in July 2017. It was declined and he was told that this was because of adverse information on his credit record. He later found in August 2019 that Barclays had also registered the fraud marker. Barclays said it was correct to record the marker and Mr S referred his complaint to this service and now has a representative.

Our investigator did not recommend that the complaint be upheld. He said that the bar for recording a marker at CIFAS is a high one. Mr S had said to Barclays that he was not asked for his previous address history and only his current address. But Barclays had recorded that he had moved into that address in August 2013 and so wouldn't have asked for more information as it needed to know the last three years' history. When it carried out its own checks it found a record of Mr S living at a different address in the past three years too. And that there was adverse credit information recorded at that address. Our investigator thought it most likely Mr S had provided false information to try and open an account he would not otherwise have been able to. So, Barclays had sufficient information to apply the marker.

Mr S did not agree and made personal representations and there were representations made on his behalf. He said that he moved into the address he gave Barclays in August 2016 so there was a one-digit discrepancy in the year which was an honest mistake. He said he cannot read small fonts. There was no reason for him to give false information because he was well aware that Barclays would view his credit history. His other details were all correct. Barclays should have made basic enquiries to clarify the discrepancy. This has caused him significant financial distress and he thinks is the cause of him not being able to open accounts elsewhere.

## **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 standard for adding a marker to CIFAS is a high one. Barclays needs to have more than a suspicion or concern. It has to show it had reasonable grounds to believe that a fraud or financial crime had been committed or attempted and that the evidence would support this being reported to the authorities.

When Mr S contacted this service, he referred other similar complaints to us. We're looking at them individually, but I will also be issuing a decision about a complaint about his similar application made to another financial business with an incomplete address history. And as part of the information he's submitted to us with his representations he's shown he has another similar marker at CIFAS.

I'm afraid that I think that the evidence that Barclays held about his application was clear. I've seen from its records that it noted that Mr S had lived at the same address since August 2013. If he had told it that this only applied from August 2016 – less than a year before his application, then it said it would have asked about previous addresses. Mr S seems to accept in his representations that he knew about that adverse credit at his previous address. I'm not satisfied on balance that the most likely explanation was that this was a mistake. I find it most likely that Mr S sought to conceal his past adverse credit history thinking that this would be relevant to whether or not he'd be offered an account. He says he did not know that the CIFAS marker was recorded then. I know he subsequently made another application with a not dis-similar address discrepancy.

So, I'm thinking about whether Barclays was fair to apply the marker, based on the evidence it had, and the investigation it carried out. CIFAS guidance says the business must have carried out checks of sufficient depth to meet the standard of proof set by CIFAS. This essentially means that Barclays needs to have enough information to make a formal report to the police. And that any filing should be for cases where there are reasonable grounds to believe fraud or financial crime has been committed, rather than mere suspicion.

Having reviewed the account given by Mr S and the evidence Barclays has provided, I'm satisfied that Barclays had sufficient evidence for the CIFAS marker to be recorded. In coming to this view, I've taken into account the following reasons:

- Mr S did not disclose his full address history in the application.
- The most likely explanation for this was that he did this to help him obtain an account.
- Barclays had grounds to believe that Mr S had attempted to make a fraudulent application.

So, I know Mr S will be very disappointed when I say that I don't have a reasonable basis to require Barclays to do anything further about this CIFAS marker.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 October 2020.

Michael Crewe  
**Ombudsman**