

The complaint

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

What happened

Mr E applied for an account with Barclays in 2019. He was asked about his address history. When Barclays assessed his application, it found he had not disclosed one address he had lived at during the past three years. There was a default registered for over £100 in his name at that address. It did not offer him an account and it registered a marker with CIFAS on the basis that he had withheld information relevant to his application. Mr E who is represented in this complaint says his English language is not good and he believed he had been asked about the past two years of address history. His representative accepts that they were living at the relevant address in October 2016 when the credit application that since defaulted was taken out.

Our investigator recommended that the complaint be upheld. He said that the account was opened face to face in a branch. There was no copy of any application showing Mr E had been asked about three years of address history and Barclays did not provide a copy of any script showing this question would be asked. He said that the bar for registering a CIFAS marker was a high one and Barclays should keep a clear and rigorous record of the checks it made. The impact of a fraud marker can be significant.

Barclays did not agree. It said that it always asks the same questions when opening an account. Some of the relevant information was not provided and its position remains the same.

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.

I need to consider whether the report to CIFAS was made fairly. On this point, 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.

It is not in dispute that Mr E was asked something about his address history and that he has given that history covering the previous two years. The issue is whether he was asked about his addresses over the prior three years.

I have not seen any direct evidence from Barclays to support that it intended to ask about three years of history. Or as our investigator says evidence to show Mr E was asked that in branch. Even if I was to accept that he was I note that in one reply to our investigator Barclays says that “...*although there might have been some misunderstanding in branch, the customer failed to provide [..]*” the relevant address. I don't find that a strong enough assertion on the part of Barclays to support its own position. I think it can only be a failure on

Mr E's part here if he was asked the question, was reasonably thought to understand it and knowingly gave an incorrect answer.

I am not safely able to conclude on the available evidence that this is what happened.

Putting things right

I'm not persuaded that Barclays had sufficient grounds to apply the CIFAS marker.

My final decision

My decision is that Barclays Bank PLC should remove the CIFAS marker in relation to Mr E's account application.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 5 October 2020.

Michael Crewe
Ombudsman