

The complaint

Mr N is unhappy with Barclays Bank UK PLC because they applied a CIFAS marker against him in 2016. Barclays have removed the CIFAS marker, apologised and offered £800.00.

What happened

A third-party bank closed Mr N's bank account when he applied for a personal loan. This was because of a CIFAS marker against his Barclays account. He had other bank accounts refused because of the fraud reporting. He feels the reporting to CIFAS is totally wrong. Mr N says he has never requested a loan or spent a penny belonging to Barclays. They only gave him a credit card for UK Management and Business Consultants, which was paid off.

Mr N's third-party bank re-opened his account whilst he solved the problem of the fraud marker. Mr N can only think that the reason for its application was that he opened a bank account for a private business but never started the business as unfortunately he was taken ill with prostate cancer. Mr N told us, this has caused him stress and the loss of a good status in the business world. Mr N has been affected emotionally and he's unable to concentrate on doing any more work.

Barclays removed any detrimental information loaded against Mr N and confirmed there is now nothing place against his name that would prevent him from opening an account elsewhere. As a way of apologising for the marker being applied and the impact caused, Barclays offered £800.

Mr N wasn't happy with this. He wants £25,000 for all the damage done to him but he would also accept a proper apology letter and £5,000.

Our investigator arranged for an apology in writing. Mr N rejected this as he wanted the letter from a different department at Barclays. He wanted it from the fraud department, and he wanted it to specifically mention fraud.

On 13 November 2020 our investigator issued her view on Mr N's case. In summary, she concluded that

- The CIFAS marker hasn't impacted Mr N financially. Mr N had many accounts at the time, meaning he had access to funds and other banking facilities. You told us it affected you more emotionally than financially.
- Mr N wasn't aware of the CIFAS marker until the third-party bank declined his application, and Barclays has now removed it. Whilst the investigator acknowledged it must have been upsetting, she felt Barclays had done enough to put things right.

The investigator felt this was a fair outcome in the circumstances. She explained that if Mr N didn't accept what she'd said, an ombudsman can look at everything again and make a final decision. Mr N told her he didn't want a final decision but continued to ask her to get further apology letters from Barclays. She obtained a further three versions.

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 should start by saying, we are not here to make a bank do what a customer asks but to independently look at all the facts and reach a decision based on what we think is a fair and reasonable outcome in all the circumstances.

Whilst unfortunate, businesses do sometimes make mistakes. When a business makes a mistake, I would expect it to put things right. It's not in dispute here that the marker was applied in error, so I'm pleased to see that it has now been removed.

On 22 March 2021 Mr N asked me to look into why Barclays put the marker on – I note in our investigator's view, she mentioned that the subject access request you got from CIFAS showed that Barclays recorded information on CIFAS about Mr N on 25 April 2016, for misuse of facility due to retaining wrongful credit. However, Barclays now accepts this was done in error and removed the marker. Therefore, there is nothing further to investigate here and I won't be looking into this matter any further.

It is not my role to punish a business or make punitive awards but sometimes mistakes by a business have a practical or emotional impact. For this reason, I can award fair compensation if a consumer has experienced distress or inconvenience or damage to their reputation.

I can see Barclays' mistake has had an impact on Mr N. He has told us throughout his ongoing correspondence with us, the impact this has had. He is a president and owner of many companies. He says his reputation has been damaged for many years. He wrote many letters to various departments to find out why his account was closed. I do understand how Mr N feels it may have caused him loss of status in the business world and that he wanted to feel proud again. I can also see the stress it has caused – especially as he was unfortunately taken ill with prostate cancer and he experienced the closure of another bank account and other banks refused his applications. Barclays has offered £800. Having taken Mr N's circumstances into account, I do feel its offer is fair and reasonable and I won't be making any further award.

Barclays has also apologised to Mr N in several letters. I have looked at all of these and I'm satisfied its apology is sufficient, so I won't be asking it to do anything further.

I appreciate that Mr N is going to be disappointed but, I don't think Barclays needs to do anymore than it has already offered to do.

My final decision

My final decision is I uphold this complaint. Barclays Bank UK PLC has already apologised and made an offer to pay £800 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Barclays Bank UK PLC should pay Mr N £800.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 24 May 2021.

Kathryn Milne

Ombudsman