

The complaint

Mr C complains about what Barclays Bank UK PLC has offered to put things right following his complaint that it incorrectly reported information about him to the CIFAS fraud prevention database.

What happened

Mr C had a current account and savings account with Barclays. In 2021, Barclays closed Mr C's accounts with immediate effect. At the same time, Barclays reported information to the CIFAS fraud prevention database.

Mr C didn't think Barclays should have reported this information to CIFAS, and complained to Barclays.

Barclays looked at this. It said that although it thought it closed Mr C's accounts correctly, it agreed to remove the information recorded against Mr C. But Mr C thought Barclays hadn't listened to what he'd had to say, and that he'd had to make a number of phone calls before Barclays were willing to sort things out. So he referred the complaint to us.

Barclays looked at things again, and offered to pay Mr C £150 by way of apology. Following our involvement, Barclays agreed to increase this offer to £250. Our investigator looked at this and thought what Barclays had offered was fair.

Mr C didn't agree with the investigator. The complaint has been referred to me to decide.

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.

Barclays has agreed to remove the information it reported to CIFAS and offered to pay Mr C compensation. So I've considered whether what Barclays has offered is fair.

I think it is. I'll explain why.

Based on what I've seen, Barclays wrote to Mr C in 4 June 2021 to say it was freezing his account while it reviewed some recent transactions. It listed 14 transactions it wanted further information about, and asked Mr C to provide this information within three days. On 16 June, Barclays decided to close Mr C's account. At this point it recorded information with CIFAS.

I see Mr C called Barclays four times between 3 June and 18 June asking for updates on the review. Mr C tried to contact Barclays on 8 July but couldn't pass security and was referred to the branch. Mr C then complained to Barclays on 13 July 2021. Mr C said he was the victim of a scam. On 23 July, Barclays got in touch with Mr C and asked him for further information about this. After Mr C sent Barclays copies of the messages between him and

the person involved in the scam, Barclays reviewed the complaint – and wrote to Mr C on 29 July, agreeing to remove the information it had recorded.

Looking at all of this, I agree Barclays could probably have sorted things out sooner. It appears that once Barclays asked Mr C for further information about what happened he was able to send them the information that led it to remove the information it had recorded.

But where I award compensation for distress or inconvenience, this isn't to punish the business, but to reflect the impact its actions had on the customer.

I've carefully considered what Mr C has said about this.

On the one hand, I note that Mr C says he was having a very difficult time. He said that Barclays's actions made him feel very guilty and anxious about his future. He's told us he was suffering with anxiety and depression at the time, and so what happened was particularly traumatising. He also says the information recorded against him meant he couldn't get another bank account – and this was a particular issue as, during the pandemic, most places required debit cards for payment. And he thinks Barclays could have been more helpful.

I have every sympathy for Mr C and don't doubt he's had a difficult time. But equally, I think some of what Mr C experienced was as a result of the scammer. I can't hold Barclays responsible for the actions of a third party. Mr C has also told us he was a student living at home – and was able to get financial support from his family during this time. Mr C found out about the information very soon after it was applied to his record – and Barclays investigated and removed it quickly after he complained to them about it. And while I acknowledge Mr C's comments about what *might* have happened had he not had family to help him, or if he'd had a job and not been able to receive a salary, these things didn't happen: I can't fairly award compensation as if they had.

With all this in mind, I think that the £250 Barclays has offered is fair in the circumstances of Mr C's complaint.

Mr C thinks he should get more. He says he's seen case studies on our website with higher compensation. But I'm satisfied, for the reasons I've explained above, that what Barclays has offered is fair. While I acknowledge what Mr C has said about the case studies on our website, I need to consider what's fair and reasonable in the individual circumstances of Mr C's complaint. So this doesn't change my conclusion.

In all the circumstances, I think that what Barclays has offered is fair.

My final decision

For the reasons above, my final decision is that Barclays Bank UK PLC's offer of £250 is fair. It should now pay this to Mr C if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 6 April 2022.

Rebecca Hardman
Ombudsman