

The complaint

Mr S complains that Barclays Bank UK PLC closed his bank account and loaded a negative fraud marker against his name. He'd like the marker removed

What happened

Mr S had an account with Barclays.

On 23 June 2022 Mr S received four payments totalling £5,084 into his account.

On 26 June 2022 Barclays received notification from another bank, I'll call Bank B, that the payments Mr S received were fraudulent.

Barclays wrote to Mr S and asked him to provide details regarding one of the payments. But Mr S didn't respond. As Mr S didn't respond, Barclays made the decision to immediately close his account and load a negative fraud marker against his name on the National Fraud Database for 'misuse of facility'.

In October 2022 Mr S contacted our service to raise a complaint about Barclays actions. He informed our service that he gave away his details to someone online and that's how the payments were made. He also spoke with Barclays but informed them that he hadn't shared his details with any third parties online. Barclays reconsidered the loading, but thought they'd loaded it fairly.

Mr S wasn't happy with their decision so asked our service to continue our investigation.

One of our adjudicators looked into Mr S's complaint. Mr S confirmed that he *did* share his details and allow someone else access to his online banking. And he was aware of what was happening with the account at that time. Our adjudicator considered Mr S's argument but thought, on balance, that by sharing his security details Mr S would have known he was likely facilitating fraud.

Mr S didn't agree and asked our adjudicator to review their position but they didn't change their view.

Through a professional representative Mr S asked for our service to review the outcome. And sent in evidence showing messages between him and the alleged fraudster, whom I'll call A. In summary he also added:

- He had no idea A was going to carry out fraud on his account
- A's cover story was credible and Mr S just thought he was helping him to learn to trade cryptocurrency.
- He thought A was trading £30 for him
- He was preparing to travel abroad at the time, and provided evidence of travel on

2 July 2022.

- He's learnt from his mistakes, knows the importance of being honest, not handing over his details and he's completed some courses to raise his awareness of fraud.
- The marker impacts his ability to get a bank account, car finance and a joint mortgage

As Mr S didn't agree it's been passed 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.

Fraud Marker

Our investigator outlined the level of evidence required for Barclays to load a fraud marker – so I won't repeat this in detail. In summary Barclays need to evidence that there are *reasonable grounds* to believe that an identified financial crime has been committed or attempted and they have *clear, relevant and rigorous* evidence. And that Mr S is *complicit* in the fraud.

It's my role to assess whether Barclays have sufficient evidence to meet this standard of proof. And having done so I'm satisfied that they have.

I've seen evidence that Barclays received a fraud report from Bank B notifying them Mr S received four payments totalling £5,084 into his account. I'm satisfied that it's fair for Barclays to conclude there are *reasonable* grounds that an identified financial crime has been committed. I'm also satisfied Mr S is likely *complicit* in the fraud, I say this because:

- On initially speaking with Barclays Mr S informed them that he *hadn't* shared his security details with anyone online. He's since advised our service that he was nervous and realises he should have been honest with them. But, I have concerns that Mr S hasn't been consistent, or honest, when advising Barclays about what happened.
- Mr S has shared messages between himself and A. I've reviewed them, and the messages do show Mr S was discussing trading with A – and as he mentions the only money that is discussed is a £30 trade. However, the first messages Mr S has provided show him sharing his activation code with A, not *why* he was persuaded by A that this was something he should do. Which is important in my assessment in whether Mr S was complicit in the fraud.
- I appreciate that Mr S is young, and therefore vulnerable to online scams targeting money mules. But I've not been advised of any additional vulnerabilities which might make Mr S more susceptible to fraudsters. I haven't seen sufficient evidence – either from Mr S's testimony or in the messages he's provided – to satisfy me Mr S was genuinely trying to learn about cryptocurrency and carry out trades with his own funds. And only shared *all* of his security details through naivety.
- Mr S first gave A access on 31 May 2022, which means between 31 May 2022 and 23 June 2022 he allowed A access to his banking facilities. Considering the length of time Mr S gave A access to his online banking I'd expect him to be able to provide a more persuasive explanation for why he shared his security details.

I appreciate that Mr S advises he's obtained certificates to better educate himself about online safety, and that reduces his risk of engaging in fraud in the future. And he's struggling to obtain a bank account or credit due to the marker. This is a positive step. But, that doesn't impact on my assessment of whether or not I think Barclays' actions in loading and keeping the marker are fair. I realise this will disappoint Mr S, but I'm satisfied they are.

Account closure

Barclays can only close accounts in certain circumstances and if it's in the terms and conditions of the account. Barclays have relied on the terms and conditions when closing Mr S's account. The terms explain that Barclays can close an account with immediate notice in specific circumstances. Having reviewed what's happened here, and Barclays' reasons for closing Mr S's account without notice, I can't conclude they've acted unfairly.

In conclusion I'm satisfied that Barclays have sufficient evidence to meet the standard of proof to load the fraud marker and acted fairly in closing Mr S's account. For this reason I won't be asking Barclays to do anything further.

My final decision

My final decision is I don't 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 15 January 2024.

Jeff Burch
Ombudsman