

## The complaint

Mr A has complained that Barclays Bank UK PLC registered a marker against him at CIFAS, the national fraud database.

## What happened

In May 2023, Mr A received £10,000 for the sale of a car. The buyer reported him as a scammer. Barclays blocked the account and asked Mr A a series of questions, which Mr A answered promptly.

Mr A explained he'd filled out all the proper forms to transfer ownership of the car to the buyer, and he could provide screenshots. But Barclays told him he was all done and didn't have to do more. Then it closed his account without notice and registered a marker against him at CIFAS. When Mr A complained, Barclays simply said it had recorded his feedback and closed his complaint.

Mr A came to our service and provided strong evidence the sale was legitimate. Barclays then agreed to remove the marker, but said Mr A hadn't offered this evidence before. It offered £500 compensation, which our investigator endorsed. Mr A didn't accept, so the complaint's been passed to me to decide.

I sent Mr A and Barclays a provisional decision on 20 March 2024, to explain why I thought the complaint should be upheld. In that decision, I said:

*I need to consider whether this report to CIFAS was made fairly. On this point, Barclays needed to have more than just a suspicion or concern. It needs to be able to show that it had reasonable grounds to believe that fraud or a financial crime had been committed or attempted, backed up by evidence which would support it being reported to the authorities.*

*Having listened to Mr A's calls with Barclays, I find that this marker was added inappropriately. Mr A was proactive and co-operative. He answered Barclays' questions promptly and in sufficient detail, his testimony was consistent and credible, and he chased up a resolution to the situation.*

*Barclays points out that Mr A didn't send it the documents he sent us. But that's mainly because Barclays didn't ask him to. In fact, while Mr A said he had relevant screenshots when answering Barclays' questionnaire, the staff member told him he was all done and he didn't have to do more. Then when in a later call he again said he could show DVLA evidence, the staff member didn't follow up on this and just told him his account would be unblocked shortly. As far as I can see, Barclays never followed up on Mr A's offers to provide evidence. And the onus was on Barclays to gather evidence.*

*This is concerning. CIFAS markers can have serious consequences, and the onus was on Barclays to properly investigate before registering one. It was aware that Mr A had relevant evidence, so it needed to gather that evidence from him. But Barclays not only didn't ask him to send this evidence, it told him he was all done. Then it has tried to hold the prior lack of evidence against him. I find that to be unreasonable.*

*From listening to the calls, I also note that Barclays did not unblock the account when it said it would. And it does not appear to have properly addressed Mr A's concerns when he complained.*

*In terms of the impact, I understand it was most inconvenient for Mr A to have his account blocked and then closed without notice. He's explained he missed an exam due to being unable to pay for travel, and he's shown that he missed credit card payments. The CIFAS marker meant he was unable to open a bank account for two months, so he couldn't do his day-to-day spending. I can see he had to frequently borrow money from family, much to his embarrassment. And I understand Mr A was caused substantial distress, upset, and worry by this ongoing situation.*

*Mr A also said that he lost a job because of this marker, which he said then caused him to run up debt. But he was unable to provide any evidence of this job or of losing it, let alone losing it due to the marker, and there were no corresponding salary payments on his statements. So I'm unable to reasonably make an award for losing that job or for a resulting debt. I also understand why Mr A is unhappy that Barclays didn't tell him about the CIFAS marker, but it didn't have to notify him about it.*

*When a business gets things wrong, we often tell them to pay compensation, to acknowledge their error and the impact it had. In terms of the amounts, it's worth bearing in mind that we're not here to issue fines or to punish businesses. Taking into account the impact this likely had on Mr A, along with our guidelines for compensation, I currently think that £850 compensation would be fair to put things right here.*

I said I'd consider anything else anyone wanted to give me – so long as I received it before 3 April 2024. Barclays didn't add anything further. Mr A made some further points, which I'll talk about below.

### **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.

Mr A thanked us for our help, but said he didn't think the proposed compensation was enough. While he accepted he couldn't show any evidence of losing a job due to the marker, he said the compensation didn't cover his credit card debt.

However, I do need to reiterate that the compensation is not intended to cover Mr A's credit card debt. As I explained in the provisional decision, there were no salary payments on Mr A's statements, and he had no evidence of having any job in the first place, let alone losing it due to the marker. So I cannot fairly conclude that the marker caused him to lose any income. That means the marker didn't cause Mr A to rely on credit card debt due to any drop in income. Instead, the debt would've been caused by Mr A spending money, which he did of his own accord and which presumably he would've spent with or without the marker. So I have no basis on which to award compensation for Mr A's card debt. That's money he genuinely owes because of the amounts he spent, and as far as I can see the CIFAS marker did not cause him to lose any income, so the marker did not cause him to run up that debt.

Mr A also pointed out that had his circumstances been different, he might not have known where to get advice and might have ended up in a worse position. While I understand his thinking, we only award compensation for things which actually happened – not for things which could have potentially happened, but didn't happen. And we're not the regulator, so we're not here to issue fines or to punish businesses for getting things wrong.

Instead, our awards of compensation are there to help acknowledge and put right the impact that the business' mistake had on its customer. Here, I have taken into account the effect this had on Mr A's mental health, and on everything else he mentioned like missing an exam, not having an account for two months, and having to get help from family for his everyday spending. I understand he was caused substantial distress, upset, and worry, along with some embarrassment, over a sustained period. We have guidelines about what levels of compensation to award, and I need to be consistent with those. So taking into account those guidelines and the impact this had on Mr A, I still find that £850 compensation is fair to put things right here.

### **Putting things right**

I direct Barclays Bank UK PLC to pay Mr A £850 compensation in total.

### **My final decision**

I uphold Mr A's complaint, and direct Barclays Bank UK PLC to pay him £850 compensation in total.

If Mr A accepts the final decision, Barclays Bank UK PLC must pay the redress within 28 days of the date our service notifies it of the acceptance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 2 May 2024.

Adam Charles  
**Ombudsman**