

## **The complaint**

Miss R complains that Barclays Bank UK PLC unfairly loaded a marker about her at Cifas, the national fraud database.

## **What happened**

Miss R had an account with Barclays.

In December 2019, Barclays closed Miss R's account. They'd been made aware her account had received funds that weren't hers in the amounts of two payments of £500. Just under £800 had been withdrawn at cash machines. Then a further £1,000 was attempted to be deposited into Miss R's account. Following this Barclays were notified that the funds were fraudulent.

Barclays blocked Miss R's account. Miss R contacted Barclays at the time and told them that she didn't know anything about the fraudulent credits and withdrawals on her account. Barclays believed Miss R had benefitted from fraudulent funds and lied to them. They closed her account and lodged a fraud marker with the industry fraud database, Cifas.

Miss R subsequently found she was unable to open another bank account. And had difficulty obtaining credit. She complained to Barclays. In response, Barclays refused to remove the marker. They were satisfied Miss R had known what was going on and had potentially benefitted from the fraud.

Miss R remained unhappy and brought her complaint to our service. She said she had been selling cosmetics and handed her bank card to someone she knew who put her bank details into their phone. A few days later she then discovered that she couldn't use her bank account. Miss R said she went into a branch. But they just told her that her account was going to be closed due to fraudulent activity.

Miss R later told us that she'd been in a relationship with someone I will refer to as M. Miss R said M had asked her for her bank card, and despite being hesitant she agreed. Miss R said that M and another individual then used her account for fraud. And that she withdrew the funds from a cash machine at a money exchange bureau and handed it over to them.

Miss R said she was young, stupid and confused. And when she went into Barclays she didn't really know what to say about what had happened. She said that M's friend told her everything would be fine, and she wouldn't get into trouble. So, she told staff she didn't know anything about the activity on her account, which she now regrets. Miss R said she wants to get on with her life, be able to open bank accounts and get a property. But the marker is stopping her from moving on and is impacting her mental health.

After reviewing everything the investigator said that Barclays hadn't done anything wrong when it had recorded the marker against Miss R. So, they didn't uphold the complaint. Barclays agreed with what the investigator said. Miss R didn't. She wants the marker removed. In summary she said:

- The only reason she lied the first time in contacting our service was because she was afraid, she was going to get into trouble for something she did not do. And she came forward about a week after submitting her first complaint form and told the entire truth.
- She was not an accomplice in fraudulent activity. She is a victim and had to deal with the repercussions of another person's actions.
- She wants the maker removed.

The investigator reviewed all the information Miss R provided but maintained that Barclays hadn't done anything wrong. Miss R remained unhappy and asked for an ombudsman's decision. So, the matter has come 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.

The marker that Barclays filed with Cifas against Miss R is intended to record that there's been a 'misuse of facility' – relating to using her account to receive fraudulent funds. In order to file such a marker, they're not required to prove beyond reasonable doubt that Miss R is guilty of a fraud or financial crime, but they must show that there are grounds for more than mere suspicion or concern. Cifas says:

- *"There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted; [and]*
- *The evidence must be clear, relevant and rigorous.*

What this means in practice is that a bank must first be able to show that fraudulent funds have entered Miss R's account, whether they are retained or pass through the account.

Secondly, the bank will need to have strong evidence to show that the consumer was *deliberately* dishonest in receiving the fraudulent payment and knew it was, or might be, an illegitimate payment. But a marker shouldn't be registered against someone who was unwitting; there should be enough evidence to show *deliberate* complicity. There's also a requirement that Barclays should be giving the account holder an opportunity to explain what was going on.

Here Miss R received funds into her account that were confirmed by a third -party bank to have originated from fraud. The bank reported that their customer had fallen victim to a scam.

In December 2019, Barclays asked Miss R what she knew about the fraudulent funds that had been paid into her account. Miss R went into a branch and told Barclays that she didn't know anything about the activity on her account. Miss R now says this wasn't true.

Miss R has given our service two different explanations. Miss R initially said that she was running a cosmetic business at the time and gave her bank details to an individual who wanted to make a purchase. She said that this individual must have put her bank details into their mobile phone and arranged for the fraudulent funds to be paid into her account.

Miss R then changed her story and said that her former partner had asked to use her bank account. She said at first she was hesitant, but they'd persuaded her to allow them to use

her account. And then she'd taken the money out to give to them. Miss R said she also reported what happened to the police.

So, I need to consider whether based on all the information including the evidence Miss R has submitted to us, whether Barclays had sufficient evidence to meet the standard of proof and load a marker for misuse of facility with Cifas. Having looked at all the information provided, I'm satisfied they did, and I say this because:

- I've seen the evidence from Barclays that confirms they were notified by another bank that fraudulent funds were paid into Miss R's account.
- From looking at Miss R's bank statements just under £800 was withdrawn from cash machines. Miss R has confirmed that she made these withdrawals.
- When Barclays asked Miss R about the payments at the time. She told the bank that she didn't know anything about the activity on her account. She's said she did this because she didn't know what to say and had been led to believe she wouldn't get into trouble for allowing her account to be used by the people who committed the fraud.
- After bringing her complaint to our service, Miss R provided two different explanations about the activity on her account. Miss R said she had no idea the money was fraudulent and was surprised she couldn't use her account after she gave her bank details to someone who'd bought a cosmetic product from her at the time. She then said she was manipulated by her partner at the time into allowing her account to be used for fraud.
- Miss R has said that she was young, stupid and naïve to allow her account to be used. And has only recently come to understand what being used as a money mule means. She has provided our service with a screenshot she says show M asking her for her bank details dated November 2019. I've looked at this and it doesn't show Miss R being asked for her bank account details. It relates to Miss R's education course, name, address and student ID. So, I'm not convinced that this backs up Miss R's latest explanation.
- Miss R hasn't provided any evidence about her arrangement with the individual, she says manipulated her which would support her explanation, such as any messages between her and them prior to her receiving the funds. Such as why Miss R was receiving the funds, or what she expected in return, what she had to do with the money including why she withdrew it at an exchange bureau cash machine. I find the fact there is no evidence at all just isn't credible. I'd expect there to be some evidence that led up to this arrangement which Miss R could provide. But nothing has been provided. So, I'm not persuaded Miss R is a victim as she's suggested.
- Even if I accept the screenshot was related to Miss R being manipulated into allowing her account to be used I can't reasonably conclude that, at the time Miss R was believed what she was being asked to do wasn't legitimate. Especially as she said at the time she was hesitant about allowing M to use her account.
- If Miss R believed she'd been tricked and manipulated into withdrawing the fraudulent money, I'd expect her to have alerted Barclays at the time. But she didn't do so. When Barclays questioned her about the funds she deliberately lied. The fact that she did do so makes me think it's more likely than not that Miss R knew the money coming into her account was fraudulent. If Miss R had been the unwitting beneficiary of fraudulent funds, I would've expected her to alert Barclays at the time in order that her account could be safeguarded against fraud.

- Miss R allowed the use of her account in this way and so was in control of who had the benefit of this money. After Miss R received the payment, the funds were immediately withdrawn in cash. This activity suggests to me that Miss R was potentially involved in money laundering.
- I've considered what Miss R says about the impact the marker has had on her. But she hasn't described being placed under any duress or being especially vulnerable. In my view, based on all the evidence, I think it's most likely she allowed her Barclays account to be used for receiving fraudulent funds. I say this because when Barclays first asked about the activity on her account, when she would have had every reason to come clean if she was an unwitting participant. she said she didn't know anything.
- Miss R also continued to lie when she brought her complaint to us – I can't see a plausible explanation for her to do this. Stupidity and youth are no defence against fraud. And the different explanations Miss R has provided do make it hard for me to place much weight on what Miss R has said about what happened. As far as I can see, the evidence supports Miss R was more likely than not knowingly involved in fraud, whether directly, or as a money mule.

In summary, the requirements around banks lodging markers at Cifas include there being sufficient evidence that the customer was aware and involved in what was going on. Miss R has received funds into her account that have originated from fraud. I also find that the suspicious circumstances of the movement/use of the money and different explanations provided by Miss R about what she did with the fraudulent money adds weight to this argument.

Having looked at all the evidence I'm satisfied this shows there were reasonable grounds to suspect that fraud had been committed. And from evidence I've seen that Miss R was likely complicit in this. On this basis I didn't think it would be fair or reasonable to ask Barclays to remove the marker or pay Miss R compensation.

### **My final decision**

For the reasons I've explained my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 7 August 2025.

Sharon Kerrison  
**Ombudsman**