

The complaint

Mr G complains that Barclays Bank UK Plc ('Barclays') registered a Cifas marker against him without due cause.

What happened

The circumstances of this complaint are well known to both parties, so I will not repeat every detail of what happened here. But, in summary, in June 2023 Mr G's Barclays account received nearly £2000 which was later reported by the sending bank as a fraudulent transaction. Barclays reviewed Mr G's account and took the decision to close the account and register a fraud marker against him with Cifas.

Mr G explained that the funds were sent to him by someone that he met on a social media platform where he had listed a collectible for sale. He said that he had been selling off some possessions to make a bit of extra money, when someone messaged him to express interest in buying the item. He said the conversation seemed normal and legitimate, and so after agreeing a price Mr G gave the 'buyer' his bank details for them to send over the money. Shortly thereafter, Mr G received a notification from Barclays to let him know that his account had been blocked so he got in touch with Barclays. They let him know that his account had received a fraudulent payment which was being investigated. He said he told them what had happened, but they told him that they would be closing his account.

Mr G said he realised he had been deceived so went to the social media app to contact the 'buyer', where he discovered he had been blocked and so was unable to contact him. He explained that this also meant he no longer had access to chat logs to prove his previous communication with the 'buyer'. Mr G maintained that he was completely unaware that the money was fraudulent. He said he didn't send the item to the buyer as his account was blocked before he had a chance to send it.

Mr G requested that Barclays reviewed his case with empathy and understood that he made a mistake at a young age. He said it was an isolated lapse in judgement at a challenging period in his life and he was going to learn from the experience. He explained that he understood that a transaction was flagged as being fraudulent, but he was not the perpetrator of the fraud and that he had naively and unwittingly received the money, believing it to be a legitimate transaction. He understood later that the funds came from a stolen credit card. He described the impact the marker was having on him, particularly as he was still young and so it was causing considerable distress and presenting barriers to engaging in financial activity.

Barclays reviewed what happened and said they made numerous attempts to speak on the phone to Mr G but were unable to do so. On the evidence available to them, they explained that they did not think they had made a mistake in reporting the matter to Cifas and closing Mr G's account. Mr G explained he was concerned that the calls were coming from a scammer after searching the number online and finding mixed reviews, which is why he did not answer.

Mr G remained dissatisfied, and so escalated his concerns to our service. One of our investigators looked into what had happened and did not recommend that Mr G's complaint be upheld. They said, in summary, that Barclays had acted fairly and reasonably in closing

Mr G's account and registering him with Cifas based on the fraudulent funds which had come into his account.

Mr G did not agree. In summary, he said:

- He believed he was participating in a legitimate transaction and did not know the funds were fraudulent;
- He regrets not responding to Barclay's call, but he does not believe this should be red as evidence of guilt or complicity;
- The fact he withdrew and transferred the funds immediately after receipt was not evidence of wrongdoing on his part;
- He had no history of fraud or financial misconduct;
- He did not think that Barclays had met the evidential requirements to load him with Cifas.

As no agreement could be reached, the case has 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.

Having done so, I have reached the same conclusion as our investigator, and broadly for the same reasons.

The type of Cifas marker that Barclays asked Cifas to apply here is for 'misuse of facility' – relating to the account being used to receive and send on fraudulent funds. In order to file such a marker, Barclays are not required to prove beyond reasonable doubt that Mr G is guilty of a fraud or financial crime, but they must show that there are grounds for more than mere suspicion or concern that such an offence took place. Cifas guidance said:

- *“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.”*

So, the relevant findings for me to make are whether I believe there is sufficient evidence to conclude that on balance, the money sent to Mr G was as the result of a fraud, and that he was deliberately dishonest in relation to this, such that Barclays fairly and reasonably escalated their concerns to Cifas. I do think that Barclays were entitled to do so, I'll explain why.

It is not in dispute that Mr G's account was used to receive and then withdraw and transfer on fraudulent funds. The sending account holder complained that they were the victim of fraud. And whilst Mr G said he thought that he was entitled to these funds as part of a legitimate transaction, he now accepts that the funds were sent to him as the result of a fraud. So, what is left for me to decide is whether on balance I think that it is most likely that Mr G was involved in the receipt and withdrawal and transfer of the fraudulent funds, and whether he was deliberately dishonest in his actions with regards to these funds. And I think he most likely was. I say this because:

- Whilst I appreciate that Mr G has said that the social media account that contacted him blocked and deleted him which removed any trace of their communication, I am left in a position that there is nothing to corroborate Mr G's account that he was trying to sell a collectible item. He has explained he had not sent it yet as he was preparing it for postage, so there is no evidence of postage. He has not provided any evidence or details of the item other than what kind of collectible it was. He has not provided evidence of him selling it elsewhere. It would also seem strange to sell such a

valuable item through a social media platform, rather than a selling or auction site. Whilst all of this does not mean for certain he did not try to sell an item, I have to consider what I think is most likely on the balance of probabilities. And so, it is notable that there is no corroboration to his testimony here.

- Mr G withdrew and transferred most of the funds, bar £100, in a short space of time. This was done via ATM withdrawal and transfers to an account in Mr G's own name. Mr G is correct that some people may move funds between accounts or withdraw cash for legitimate reasons, but this account activity it is also in line with someone who may have wittingly received fraudulent funds and wants to ensure that they have the benefit of them before the matter is reported to the bank. Mr G also had only used the account previously to put £10 in, and it was otherwise a new and unused account. This is in keeping with known patterns of fraud.
- When Mr G had the opportunity to tell Barclays what the source of these funds were, he said he would tell them later and would call them back in an hour or two. However, Mr G did not do so. Whilst this in and of itself is not conclusive, it certainly seems strange that if Mr G thought he was receiving the funds as part of a legitimate sale, he did not immediately tell his bank this.

So, when considering all of this, I do think Barclays were entitled to conclude that Mr G was the witting recipient of fraudulent funds and register their concerns with Cifas and close his account. Mr G's account was used to receive fraudulent funds, which he has not been able to provide any corroborative evidence to show that he received believing them to be legitimate. His behaviour that followed is in line with known patterns of fraud. So, on balance, I think Barclays acted fairly and reasonably here and will not be asking them to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 25 May 2025.

Katherine Jones
Ombudsman