

## **The complaint**

Mr C complains about the markers Barclays Bank UK PLC ("Barclays") put on the CIFAS database about him.

## **What happened**

In August 2022 Mr C was out on a night out for his birthday. He says he invited two people he'd met back to his hotel room to continue drinking.

Mr C says that later on in the evening he fell asleep. After he woke up he realised his phone and wallet were missing and that the Barclays app had been deleted from his phone. He said that while he was in the hotel reception reporting the matter the people he'd been with returned his phone and wallet saying they'd been found at the hotel bar.

After that, Mr C says he realised that a loan for £20,500 had been taken out in his name. He reported the matter to Barclays and the police. He says a number of other payments were also made from his account without permission.

Mr C told Barclays he thought he'd been drugged and that his fingerprints were used to log into his phone. But Mr C told our investigator he'd allowed one of the people he'd met to use his phone. He'd disclosed the code he used to unlock his phone to that person. He says his PIN was connected to his date of birth.

Initially Barclays refunded the money Mr C said had been taken from him fraudulently. But it debited the money from the account after it investigated what happened and decided not to uphold his complaint.

Barclays went on to place two markers about Mr C on the CIFAS database. One was a 'misuse of facility' in relation to a fraudulent claim and the other was an 'evasion of payment' marker. It said Mr C didn't co-operate with the police and told them a different version of events to the one he told it. Barclays also said Mr C didn't repay the money it credited to Mr C's account after he first complained about what happened. It says he didn't tell it what he spent that money on, and that he didn't repay the loan with the money. Mr C acknowledges he spent the money Barclays had initially credited to his account and hasn't repaid it.

The CIFAS database is a cross-industry fraud prevention database which allows financial services providers to share relevant information, subject to safeguards.

Mr C complained to Barclays about the markers. He didn't think it was fair for it to hold him responsible for what happened. Barclays said it hadn't done anything wrong.

Mr C remained unhappy, so he complained to the Financial Ombudsman Service. He said he thought Barclays had acted irresponsibly when it agreed to the loan and the CIFAS markers should be removed. He told us about the impact the markers have had on him.

Our investigator looked into what happened. He said he didn't think Barclays had made a

mistake when it added the markers to the CIFAS database. He said he hadn't looked into Mr C's complaint that Barclays had acted irresponsibly when it accepted the loan application. That was because Mr C hadn't raised that with Barclays before coming to the Financial Ombudsman Service, so it hadn't had the opportunity to look into that. He said that if Mr C wanted to pursue that he should raise his concerns with Barclays first.

Mr C didn't agree with our investigator. He asked for his complaint to be reviewed by an ombudsman. So this complaint was 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've come to the same conclusion as our investigator. I'll explain why.

I'll start by saying that the standard of proof for putting a marker on the CIFAS database is that there must be clear, relevant and rigorous evidence of fraud, such that Barclays could confidently report the matter to the police or other authorities (whether or not it has actually done so).

The standard required is therefore one of reasonable suspicion, not proof. But there must be evidence of fraud. There are various fraud offences, but a common feature is acting dishonestly for financial gain.

In this case it's clear that a loan application was made using the Barclays phone app on Mr C's phone after Mr C went on a night out. Mr C has told us that he gave the people he met on the night out the information they needed to unlock his phone, but he didn't know they were going to take out the loan/it was made without his knowledge. A significant number of other payments were also made using Mr C's debit card and bank details. Mr C says those payments were made without his knowledge too.

I appreciate that Mr C has been clear that the loan was taken out and payments made without his knowledge. However, I think that Barclays could reasonably expect Mr C to take more care of his account than he did. I say that because he acknowledges he gave people he'd just met the information they needed to access his phone and use his account. It appears he went to sleep after that without securing his phone and wallet.

The terms and conditions of Mr C's account said:

#### *Things you must not do*

- *Don't choose a PIN or password that is easy for someone else to guess (such as 1234 or your date of birth).*
- *Don't give your payment tools to someone else or let someone else use them.*
- *Don't do anything that would let someone else use your payment tools. This includes writing them down in a way that someone else could understand.*
- *Don't keep the letter with your PIN in it. Don't let someone use a device like your phone that you keep your details on.*
- *Don't sell your mobile device or send it for repair without first deleting the cards stored on it in e-wallets.*

In the circumstances, I can't say Barclays was wrong to say that Mr C had misused his bank account.

I'm also conscious that Mr C has given the Financial Ombudsman Service, the police and Barclays different accounts of what happened on the night out in August 2022; and that there's no dispute that Mr C spent the money (more than £36,000) Barclays credited to his account temporarily while it investigated what happened. Mr C didn't use that money to repay the loan or the other payments that he says was made/taken out without his knowledge. Nor has he said he's willing to repay that money despite Barclays making it clear that he owes it that money.

I appreciate what Mr C has told us about his personal circumstances in August 2022 and why that meant that he wasn't upfront about what happened when he first reported the fraud.

However, taking everything that has been said and provided into account, I don't think it would be fair and reasonable for me to say that Barclays made a mistake when they loaded the markers on to the CIFAS database. Having looked at all the information provided; I'm satisfied that Barclays had a reasonable suspicion that Mr C was involved in the fraud. I think Barclays was entitled to load the 'misuse of facility' in relation to a fraudulent claim and the 'evasion of payment' markers to the CIFAS database.

When the temporary credits were debited from Mr C's account following the fraud investigation Mr C's account became substantially overdrawn. Barclays closed Mr C's account after that. Mr C hasn't complained about that specifically. Instead he complained that Barclays acted irresponsibly when it agreed to the loan and credited the loan amount to his account without carrying out appropriate checks.

Like our investigator, I've not considered that issue in this decision as Mr C didn't give Barclays a chance to respond to that point when he first complained to it. Mr C hasn't indicated that he went on to raise a complaint about that with Barclays.

Mr C has talked about the impact of the CIFAS markers on him. I appreciate what he has told us and can understand that he will be very disappointed by this decision. However, for the reasons set out above, I don't think Barclays made a mistake in this case, so I don't think it would be fair and reasonable for me to say that Barclays should remove the markers or compensate him for what happened.

### **My final decision**

For the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 10 July 2025.

Laura Forster  
**Ombudsman**