

The complaint

Mr Y complains that Barclays Bank UK PLC unfairly closed his account and recorded a Credit Industry Fraud Avoidance System (CIFAS) marker against his name.

What happened

Mr Y's newly opened account with Barclays was closed immediately after being open for a few days in October last year. Mr Y later discovered that the bank had also recorded a CIFAS marker against his name.

In response to the complaint, Barclays explained that it had acted correctly. Mr Y remained unhappy and asked this service to complete an independent review of his complaint. He says that he's had accounts with other banking providers closed because of the marker, affecting his livelihood and mental health. Mr Y also says he's been unable to receive funds to pay for essential living costs. He wants Barclays to apologise and remove the marker.

One of our investigators concluded that Barclays had acted fairly. Mr Y doesn't agree and finds it unfair that he can't dispute the evidence against him. Given he doesn't agree, the complaint has been passed to me for a final review.

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.

I know Mr Y will be disappointed to hear that I've decided not to uphold this complaint. I'll explain why.

I've considered Barclays' reason for closing Mr Y's account. In doing so, I appreciate that Barclays is entitled to set their own policies and part of that will form their risk criteria. It isn't within my remit to say what policies or risk appetite Barclays should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think Mr Y has been treated fairly.

As long as Barclays reaches its decision fairly, it doesn't breach law or regulations and is in keeping with the terms and conditions of the account, then this service won't usually intervene. The bank shouldn't decline to continue to provide banking services without proper reason, for instance because of unfair bias or unlawful discrimination. And it must treat new and existing customers fairly.

Barclays has provided some further details of its decision-making process, but I can't share this information with Mr Y due to its commercial sensitivity. I've seen nothing to suggest the bank's decision around closing Mr Y's account was unfair. On balance, when considering Barclays' wider regulatory responsibilities and all the information available to me, I find the bank had a legitimate basis for closing the account. So I don't find that Barclays treated Mr Y unfairly when it did so.

Barclays has recorded a false identity marker against Mr Y. Barclays isn't required to prove beyond reasonable doubt that Mr Y is guilty of a financial crime, but it 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 Barclays must be able to show that Mr Y was deliberately dishonest when applying for his account with the bank. To meet the standard of proof required to register a CIFAS marker, the bank must carry out checks of sufficient depth and retain records of these checks. The relevant finding for me to make is whether I think there is sufficient evidence to meet the standard of proof.

Barclays has provided us with details of Mr Y's application and the information he submitted at the time. I've also seen other evidence, that Barclays shared with us in confidence. Based on what I've seen, I'm satisfied Barclays has met the required standard of proof to record the marker against Mr Y. So I won't be asking the bank to reverse its decision to do so.

For these reasons, I won't be asking Barclays to do anything differently regarding this complaint.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 8 September 2025.

Abdul Ali
Ombudsman