

The complaint

Mr A complains Barclays Bank UK PLC unfairly closed his account and applied a Credit Industry Fraud Avoidance System ('CIFAS'- the UK's fraud alert service) marker against his name.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr A held a Barclays account, and this closed in March 2024. Mr A discovered Barclays had loaded a CIFAS marker against his name on 8 August 2024. Mr A raised a formal complaint about the loading of the marker – as he believed Barclays had delayed loading it against his name, which meant he had turned 21 and it would be against his name for six rather than three years.

Barclays reviewed Mr A's concerns and explained the loading had been applied fairly, and that it applied the marker at the appropriate time. It accepted that it had told Mr A incorrect information when he queried how long the marker would be recorded for and it offered £200 in compensation. Mr A didn't think this was fair and referred the complaint to our service.

An Investigator looked into Mr A's complaint and gathered the relevant evidence. Mr A provided details about his personal circumstances and how his account had been used. Specifically, Mr A said he had been coerced into making transactions and giving control of his account to third parties. In summary, Mr A said he was the victim in this situation and Barclays' decision to delay applying the marker meant it would have a longer impact on him than necessary.

The Investigator didn't think the complaint should be upheld. The Investigator explained this was because:

- Mr A accepted fraudulent funds were received into his account, and although Mr A had difficult personal circumstances at the time, Barclays acted fairly in applying the marker.
- Mr A's hadn't provided evidence to support his version of events. The application of the marker is therefore fair.
- Barclays has provided evidence to show why it loaded the marker when it did – and there was only sufficient evidence at this point to load it. Barclays therefore don't need to change the date of loading.
- The £200 offered in recognition of the misinformation given to Mr A about the duration of the marker is fair.

Mr A didn't accept the Investigator's findings and maintained he had been treated unfairly. As no agreement could be reached the complaint was referred to me – an ombudsman – for a final decision.

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 appreciate Mr A was disappointed by the Investigator's opinion. I'd like to reassure Mr A that I've considered the whole file and what's he's said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

I am sorry to see Mr A has had cause for complaint. I don't underestimate the worry and anguish this situation has caused, and also the stress of dealing with the complaint about it. Having looked at the complaint fully, my review of the evidence has led me to the same overall conclusions as the Investigator previously set out and for much the same reasons. I will explain why.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Barclays has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr A, but I'd like to reassure him that I have considered everything that he's told us.

As a UK financial business, Barclays is strictly regulated and must take certain actions in order to meet its legal and regulatory obligations. It's also required to carry out ongoing monitoring of an existing business relationship. This includes establishing the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. That sometimes means Barclays needs to restrict, or in some cases go as far as closing, customers' accounts.

As part of these regulatory duties, businesses will use databases to share information. CIFAS is a fraud prevention agency, which has a large database on which information is recorded to protect financial businesses and their customers against fraud. When a bank is a member of CIFAS, it can record a marker against a customer when that customer has used their account fraudulently. This type of marker will stay on a customer's record for a specific period, depending on the customer's age and will usually make it difficult for that customer to take out new financial products. CIFAS forms an important part of the financial services regulatory framework and is intended to assist in the detection and prevention of financial crime.

In order to file such a marker, Barclays is not required to prove beyond reasonable doubt that Mr A is guilty of a fraud or financial crime, but it must show that there are grounds are 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 such that the member could confidently report the conduct of the subject to the police.

What this means is that Barclays will need strong evidence to show that Mr A has used the account to receive fraudulent funds. A CIFAS marker shouldn't be registered against a customer who has acted unwittingly – there must be evidence of a deliberate fraudulent

action. The application of a CIFAS marker can have serious consequences for an individual, so this service expects business to carry out a thorough review of the available evidence.

My role is to establish if Barclays has sufficiently demonstrated it has met the burden of proof set out by CIFAS to load the marker against Mr A. Barclays has provided this service with details of the investigation it carried out following the fraud report it received. This included a detailed review of Mr A's account activity.

As Mr A is aware the account closed due to fraud reports that had been received about the account. Mr A didn't raise concerns when the account closed but instead raised his complaint when he discovered the application of the marker. At this stage he provided details regarding the account activity and claimed he had been a victim of an account take over and coercion. Barclays weighed up this evidence, against the details of the fraud claims made and the account activity and found the requisite bar had been met for applying the marker. I think Barclays acted reasonably in loading the marker against Mr A based on the evidence it held.

When Mr A raised her complaint with this service, he provided further details about the incoming funds – this was testimony regarding the individuals who had coerced him into handing over his account details and Mr A's inability to stop the funds coming in. I've thought carefully about whether the application of the marker is fair in light of these additional submissions. Mr A is essentially saying he was unwitting – and had no control or awareness of how his account was being used. Although Mr A has been asked for further evidence to support his position this hasn't been provided – for example Mr A says he no longer has the threatening messages he received. Mr A has provided a victim statement, but this doesn't demonstrate a police investigation is underway and that Mr A was unwitting. All of this makes it difficult for me to find Mr A's version of events plausible – mainly because it isn't supported by clear evidence and the account activity doesn't align with what we normally see in account take over scenarios.

I must also consider Barclays' regulatory duties – and in the absence of further compelling evidence, I consider its decision to load the marker – and maintain it to be fair. This means my review of this information, alongside the submissions made by Barclays to this service has led me to the same view reached by the Investigator. The evidence available equates to more than mere suspicion or concern of fraudulent activity. I therefore find that the marker was loaded fairly.

A key issue for Mr A is Barclays' decision to load the marker in against him in August 2024 which is after he turned 21. Mr A says this means the marker will be against him for six years rather than three. I've considered the timeline of events carefully here – and I can't say Barclays has unfairly delayed loading the marker. I say this because the evidence provided by Barclays to this service in confidence shows that it was only in August 2024 that the necessary evidential requirements under CIFAS had been met. When the account closed in March 2024 Barclays had relied on some evidence, and although this was sufficient to close the account immediately, it didn't consider it strong enough to load the marker.

My review has shown that Barclays loaded the marker in August 2024 as this was when it held sufficient evidence, as outlined above. As Mr A is aware the loading of a CIFAS marker can have serious consequences. So whilst I understand Mr A's concerns, I am satisfied Barclays has acted unfairly, and any perceived delay in loading the marker is not from what I have seen a deliberate step taken by Barclays, so the marker is against his name for longer than three years. Mr A turning 21 in the intervening months is unfortunate, but I don't consider this to be a reason for Barclays to amend the date of the loading.

It is not in dispute that Barclays incorrectly informed Mr A the marker would be in place for three years, when it would actually be six. Barclays accepts its error here and has offered Mr A £200 in compensation for the distress caused by this misinformation. I consider this to be an appropriate offer and in line with our approach to compensation. So I won't be asking Barclays to increase it.

I appreciate Mr A will be disappointed with my decision and I fully appreciate the impact the fraud marker is having on him. But I am satisfied Barclays acted reasonably in taking this action to discharge its regulatory obligations. I hope my decision provides some clarity around why I won't be asking Barclays to take any further action. I would also encourage Mr A to contact the relevant authorities regarding some of the issues he has outlined regarding the threats he received so he can receive the appropriate support.

My final decision

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 A to accept or reject my decision before 19 February 2026.

Chandni Green
Ombudsman