

## The complaint

Miss M complains that Barclays Bank UK PLC loaded a negative fraud marker against her. She'd like compensation for the impact caused.

## What happened

Miss M had an account with Barclays.

Miss M received a payment of £2,000 into her account. On the money arriving Miss M withdrew it via two cash withdrawals.

A couple of months after receiving the payment Barclays received notification from another bank that it was fraudulent. Barclays asked Miss M some questions about the payment, and she informed them that it was a loan from a friend of a friend to help pay off her debts.

Barclays didn't accept Miss M's explanation, so they decided to close her account and load a negative fraud marker against her on the national fraud database.

On discovering the marker Miss M complained to Barclays. She provided screenshots between her and the sender of the funds, saying he hadn't raised a fraud claim. Although Barclays thought they'd acted fairly, they agreed to remove the marker as a gesture of goodwill and offered Miss M £200 compensation. But Miss M didn't accept the offer and brought her complaint to our service. She explained that the marker impacted her in several ways:

- She was unable to open new bank accounts and apply for loans either for herself or two limited companies she's the director of.
- Her reputation has been damaged when applying for a criminal records check – this impacted her ability to work and obtain a special guardianship order.
- She's been caused severe emotional distress.

Miss M requested around £100,000 in compensation for the impacts outlined above.

One of our Investigators looked into Miss M's complaint. On reviewing Miss M's case they thought that she'd suffered additional inconvenience from the loading of the marker, and recommended Barclays pay Miss M £500 compensation (including the £200 they'd already offered).

Barclays accepted our Investigator's recommendation, but Miss M didn't. Miss M argued that she shared evidence of all the losses she'd experienced with our service, including being unable to open her bank account, her credit rating dropping significantly and difficulties obtaining a special guardianship order. She re-iterated her request for £100,000 compensation.

As Miss M didn't agree it was passed to me for a decision.

On picking up Miss M's case I asked both parties for further evidence, including any evidence Miss M could share of conversations she'd had regarding the loan or items she'd purchased with the funds. I asked Barclays for more evidence regarding the withdrawal of the funds.

On receiving this evidence I issued a provisional decision outlining my thoughts to both parties. In summary I said I didn't think Barclays had acted unfairly in loading a negative fraud marker against Miss M, and I wouldn't be directing them to do anything further on this case. I asked both parties to reply by 11 November 2025.

Neither Barclays nor Miss M replied, so I've proceeded to issue my final decision on the information I already had available.

### **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.

In my provisional decision I said:

*Barclays have now removed the negative fraud marker loaded against Miss M. But the question I need to consider here is whether Barclays acted fairly in initially loading the marker.*

*Our Investigator outlined the rules that need to be considered here, so I won't cover them in detail – instead there are two main areas for me to review. Whether there's evidence fraud was attempted or carried out and if so, was Miss M complicit in this.*

*Miss M has shared messages between her and who she explains was the sender of the funds, advising that he didn't raise a fraud claim. I understand that Miss M feels this is strong evidence and shows a fraud claim wasn't raised by the sending bank. However, I've seen a copy of the fraud notification Barclays received – and I'm satisfied it was fair for Barclays to take this as evidence fraud was committed. But I also need to consider whether Miss M was complicit in the fraud.*

*Barclays sent a letter to Miss M to ask her about her reasons for receiving the payment and they requested a reply within three working days. But Miss M didn't respond within the timeframe. So, Barclays loaded a negative fraud marker against her.*

*Miss M then phoned Barclays a few days later, where she provided a response to the questions asked including advising Barclays that the money was received from 'a friend of a friend' and she 'borrowed money basically for debt'. Barclays also asked Miss M how she knew the sender, and she explained they'd met for 'coffee, talking and business'. At this point I'd have expected Barclays to have asked Miss M further questions including asking her to provide any evidence she might have to back up her explanation – but I can't see this happened.*

*This doesn't mean that I'll necessarily conclude the marker was loaded unfairly. Instead, I need to consider what evidence Miss M would have likely given Barclays at the time if they'd investigated as much as I'd expect. Since the marker has been loaded Miss M's been given the opportunity to provide further evidence and detail for why she received the credit. And she's shared several pieces of evidence which I'll consider below.*

*I've seen a copy of messages sent via a social media app between Miss M and who she advises was the sender of the funds. In these messages the sender says they didn't raise a*

*fraud claim. Miss M has also shared another message from a friend saying the sender lent Miss M the funds for the purchase of a caravan, but later the relationship became hostile.*

*I'm afraid, I don't find what Miss M's shared persuasive. I've listened to the call Miss M had with Barclays when she initially discussed the £2,000 credit. During this call Miss M explained she'd borrowed the money from the victim to pay off debt. However, in the statement made by Miss M's friend she advises that Miss M purchased a caravan. Miss M's been unable to supply any evidence of this purchase. There's also a contradiction in how well Miss M knows the sender of the funds. In the message Miss M's friend advises he was living with Miss M, but on the call with Barclays Miss M advised she'd met him for 'coffee, business and talking'.*

*Miss M's also provided evidence that she's repaid the debt via instalments to a friend. But these statements don't show the funds have been received by the victim, and all the repayments were carried out after Miss M's account was closed and the negative fraud marker loaded. At this time the funds had been credited to Miss M for almost two months, giving sufficient time for repayments to have been made.*

*£2,000 isn't a small sum and I find it surprising that Miss M hasn't been able to supply any evidence of an agreement between her and the sender, including either a contract or messages showing the loan was discussed.*

*I've also considered the account activity following Miss M's receipt of the funds. The funds were deposited into Miss M's account at 11:55pm on 4 January 2023. By 12:10pm on 5 January 2023 £1,980 had been withdrawn via two cash withdrawals. This left Miss M's account with a minimal balance. Miss M has argued she used these funds to purchase a caravan but hasn't been able to show any evidence of this. I find this concerning when considering that withdrawing cash quickly after receiving funds is what I'd expect to see if the receiving account holder knew the funds were fraudulent.*

*For the reasons I've outlined above I don't think Barclays' conclusion Miss M was complicit in receiving fraudulent funds was unreasonable, nor can I say they acted unfairly in loading a negative fraud marker against her.*

*I appreciate that this situation has had an emotional and financial toll on Miss M – but I can only ask Barclays to pay financial loss or compensation to Miss M if I think they acted unfairly in loading the negative fraud marker. And for the reasons I've outlined above I'm satisfied this wasn't the case.*

*I understand Miss M's asked for written confirmation the negative fraud marker is removed. I've seen evidence that the marker has been removed from Barclays internal systems. I'm afraid I can't ask Barclays to share this, as it's commercially sensitive. I'd recommend Miss M raises a subject access request with the relevant fraud prevention agency to confirm there's no negative data recorded against her by Barclays.*

*I'm aware that Barclays made an offer of £200 to Miss M prior to our services involvement. If Miss M wishes to accept this, she'll need to contact Barclays directly.*

As neither Miss M nor Barclays replied to my provisional decision, I see no reason to change the conclusions I previously reached.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 19 December 2025.

Jeff Burch  
**Ombudsman**