

## **The complaint**

Miss I complains Barclays Bank UK PLC unfairly loaded her to a fraud database.

## **What happened**

Miss I made some payments during Barclays' IT outage, and these payments took her overdrawn. Miss I didn't make any repayments to the overdrawn balance and Barclays closed her account and loaded her details to a fraud database.

Miss I complained to Barclays, saying she'd only recently realised she'd gone so far overdrawn and had made a £50 payment to reduce the debt. Miss I also said she'd not been receiving post, so she was unaware Barclays was closing her account.

Miss I said the overdrawn balance wasn't her fault, it was Barclays' IT error. Miss I asked Barclays to remove the fraud marker and compensate her for the IT outage.

Barclays responded to say Miss I made payments without the money being in her account and it sent ten letters about the overdrawn balance. Barclays admitted the IT outage was its fault, but said Miss I should have been aware of the payments she made.

Barclays offered Miss I £150 to compensate for the IT outage but didn't agree to remove the fraud marker.

Unhappy with this response, Miss I brought her complaint to this service. An investigator looked into things but didn't think Miss I's complaint should be upheld.

The investigator said the fraud marker loading was because Miss I had spent money on her card and not paid this back. The investigator accepted these payments might have been automated, but Miss I should have realised she owed Barclays money.

The investigator said Miss I had rerouted her salary, and made no effort to contact Barclays to arrange a payment plan, despite the £50 paid in. The investigator didn't think Barclays needed to reopen Miss I's account or remove the fraud marker.

But the investigator noticed Barclays had added two markers, and this wasn't right, so Barclays agreed to remove one loading.

Miss I disagreed and said she should never have been allowed to go overdrawn and was being punished for Barclays' mistake. Miss I asked for an ombudsman to decide things.

## **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.

There's no dispute there was an IT outage at Barclays, over the weekend of 31 January to

2 February 2025. And I don't think there's much dispute this was Barclays' fault.

The IT outage allowed some people to spend more money than they had, and this is what happened to Miss I. Miss I had a little over £300 in her account on 30 January, and checked her app on the day, so I'm satisfied she knew what her balance was.

Some card payments came out, and her balance was just over £30 on 31 January. Miss I received a payment of £200, and just after 8am on 31 January 2025 she logged into her app and paid this £200 out to another bank.

I'm satisfied Miss I knew there was only a little over £30 in her account at the start of the day on 31 January 2025.

Miss I then made numerous card payments to the same beneficiary, received some other money and paid some out to her external account. After all the payments had been cleared, Miss I was almost £900 overdrawn.

Miss I says the payments were automated ones. I'm not persuaded they were, but even if I accept this is the case, I'm still satisfied Miss I knew she'd gone overdrawn and owed Barclays money.

Miss I rerouted her salary, and she wouldn't have done this unless she knew she owed Barclays money. Miss I told the investigator she did this to avoid her salary being swallowed up by the overdrawn balance.

I'm satisfied Miss I knew, in mid-February 2025 at the latest (when her next salary was due), she'd gone overdrawn and owed Barclays money.

And I can see Miss I regularly paid money into her Barclays account, but this stopped after the IT outage and her account going overdrawn.

Whilst I accept Miss I might not have received Barclays' letters, she logged on to her app numerous times through February, March, April and May 2025, so I think she knew her account was overdrawn.

And Barclays sent Miss I emails with her statements and push notifications to let her know her account had gone overdrawn.

I think Miss I was fully aware of her overdrawn balance, but she made no contact with Barclays to talk about this or arrange a plan, and I don't think Miss I made any effort to repay the balance.

Miss I says she paid £50 to her account, but I don't think she did. It looks like a third party, someone who previously paid Miss I, made this payment. I think this was likely a mistake, the person paid Miss I not knowing the account was overdrawn.

Miss I made no payments, despite her regularly crediting her Barclays account prior to the overdrawn balance being there.

I can't agree Miss I made any effort to repay, and I think Barclays did enough to let Miss I know she was overdrawn and needed to pay it back or arrange a plan.

Whilst I agree Barclays should never have allowed Miss I to go overdrawn, I also think Miss I should have been in touch with Barclays and made an effort to repay her debt.

Because Miss I made no effort to repay, Barclays sent her a default notice and then closed her account. I think this was a fair thing for Barclays to do.

And because I think Miss I had no intention to repay this debt, or not until Barclays loaded her details to a fraud database, I think Barclays acted fairly when it loaded her details.

Barclays made a mistake in applying two fraud markers, but it's said it has since removed one of these, and I think this is the right thing to do.

Barclays also offered Miss I £150 to compensate for the inconvenience of the IT outage.

I think this is fair, and I think it's important to separate out the two parts of Miss I's complaint. The IT outage caused Miss I some inconvenience, but it didn't cause the payments she made or make it so Miss I couldn't work towards repaying the debt she owed.

In the specific circumstances of Miss I's complaint, I don't think Barclays needs to do more than it's already said it will. I don't think Barclays needs to look to reopen Miss I's account or remove the fraud marker I think it's fairly applied.

### **My final decision**

My final decision is I uphold this complaint and Barclays Bank UK PLC should remove the second fraud database loading, if it hasn't already, and pay Miss I £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 13 January 2026.

Chris Russ  
**Ombudsman**