

The complaint

Mr P complains Barclays Bank UK PLC unfair loaded his details to a fraud database.

What happened

Mr P lost his cards after using one in a supermarket. Mr P was then sent a message to say a transaction had been declined, one he hadn't made.

Mr P couldn't find his cards, so he called in and cancelled them. Mr P saw further payments leave his account. Mr P told Barclays he'd not made the transactions, and it refunded the cash machine withdrawals, totalling £600 across his two accounts.

Barclays then investigated Mr P's fraud claim and decided he'd had likely made the transactions or authorised someone else to make them. Barclays took back the £600 it had paid Mr P.

Taking back the refund put Mr P overdrawn, without an overdraft limit, and Barclays then closed both of Mr P's accounts. Barclays also loaded Mr P's details to a fraud database.

Mr P complained to Barclays, and it said it had correctly held him liable for the fraud claim he'd made. Barclays said it had moved a little over £450 from an internal account to bring Mr P's account to zero and close it.

Barclays said it had reported Mr P to a fraud database, and it wouldn't be removing it.

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

The investigator said Mr P had told them the personal identification numbers (PINs) on the two cards were different. They also said it had been some time since Mr P had used the PIN for a purchase.

Since the investigator couldn't see how a random third party could have got hold of both of Mr P's PINs they said it was much more likely Mr P had authorised the withdrawals, or allowed someone else to make them with his authority.

Since Mr P had then said the payments were fraudulent, it was fair for Barclays so load his details to a fraud database. Although there had been an IT outage at the time of the withdrawals, the investigator didn't think this changed things.

Mr P said he was innocent and hadn't done anything wrong. Since Mr P hadn't accepted the investigator's outcome, his 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.

Although Mr P was overdrawn when his accounts were closed Barclays has said this wasn't the reason he was loaded to the fraud database. Mr P's since paid the money back, but this doesn't mean Barclays will remove the fraud database loading.

Barclays has said the reason Mr P was loaded to the fraud database is the fraud claim he made. Barclays thinks Mr P carried out the transactions, or allowed someone else to, and then falsely made a fraud claim.

There's a higher burden of proof on Barclays to show Mr P likely carried out the transactions when it loads his details to a fraud database. I don't think it's enough to show Mr P's fraud claim wasn't successful, I think there needs to be proof Mr P made the transactions.

So, this is what I've considered when deciding Mr P's complaint.

Mr P says he lost his cards after using one in a supermarket on 1 February 2025. The investigator says Barclays' records show Mr P didn't use a PIN for this purchase, but even if I thought he had, the PINs for Mr P's two cards are different.

Had someone watched Mr P enter his PIN in the supermarket, then stolen both his cards, they'd only have known the PIN for one card. But both cards were used at the cash machine, and both PINs were entered correctly.

Mr P says he doesn't keep the PINs with his cards, so I can't see how a random third party would have known both PINs and been able to use both cards for cash withdrawals.

Mr P's said he was told there was an IT outage the weekend of the withdrawals, and there was. Barclays' IT systems were affected from 31 January to 2 February 2025.

This outage appears to have allowed people to take more money than was in their accounts, which is how Mr P's account was able to go overdrawn. But I don't think the IT outage affected the authorisation of card payments.

I think Mr P's card, with the correct PIN, would still need to be used to withdraw money from a cash machine. So, I don't think these transactions were somehow debited because of the IT outage, I think the payments were all authorised using Mr P's card and PIN.

Mr P's also said he could be the victim of some sort of high-tech scam. In the circumstances of Mr P's complaint, I don't think this is very likely. It's generally accepted card and PIN payments, using the chip on a card, can't be cloned or made without the physical card.

I think Barclays acted fairly in holding Mr P liable for the cash machine withdrawals he said were fraudulent. I don't think Barclays needs to refund these payments.

And I think the burden of proof for Barclays to load a fraud marker is higher than the balance of probabilities, which is what's more likely to have happened, but doesn't require absolute certainty.

I can't see any reasonable explanation for how a random third party was able to use both Mr P's cards, with the different PINs, to withdraw money from a cash machine.

I think it's much more likely Mr P carried out the withdrawals or authorised someone else to carry them out.

And since I think Mr P carried out the cash machine withdrawals, or knew they were being carried out on his behalf, I think the fraud claim he made is false.

Barclays loaded Mr P's details to a fraud database because it believed he'd made a false fraud claim, and in the circumstances, I think this was a fair thing for Barclays to do.

Because of this, I won't be asking Barclays to remove the fraud database loading.

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 Mr P to accept or reject my decision before 6 March 2026.

Chris Russ
Ombudsman