

complaint

Mr A complains that Barclays Bank Plc has unfairly closed his accounts and recorded information with a third party fraud prevention scheme.

background

Mr A had several accounts with Barclays. On 9 June 2017, Barclays wrote to Mr A to say that it would be closing these on 10 June 2017 in line with the relevant terms and conditions. Mr A then tried to apply to another bank for a new current account, but was declined.

Mr A eventually found that the reason his application for a new account has been declined was that Barclays had recorded information about him with a fraud prevention agency – CIFAS. He complained to Barclays about this, saying that it had reported this information wrongly. But Barclays felt it was entitled to continue recording this information.

So Mr A brought his complaint here, where one of our investigators looked into things for him. She felt that Barclays were entitled to record this information too. Mr A didn't agree, so the complaint was passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I think Barclays has acted fairly here. I'll explain why.

Barclays is entitled to close a customer's account with immediate effect, if it has concerns about how the account is being run. That's explained in the relevant terms and conditions here.

I've seen the information that Barclays relied on when making this decision and I'm satisfied that it did so in line with the terms and conditions. I realise that Mr A would like for Barclays to have told him why it closed his account, but it wasn't obliged to do so and I don't see any reason that it should have done that here. So I think it's acted fairly in closing Mr A's account in the way it did.

I'll now consider whether Barclays were entitled to report Mr A to CIFAS. Before reporting a customer to CIFAS, a business needs to be satisfied that the circumstances and issues it's concerned about meet certain criteria. There are a number of different criteria, but they include whether a business could make a formal complaint to the police, or other law enforcement agency and whether an account received fraudulent funds.

Here Barclays has confirmed that it feels that the reasons it reported Mr A to CIFAS met these criteria. Having reviewed all the available information here, I agree that Barclays met the criteria too – so I think it's fair that it reported him to CIFAS.

Mr A clearly feels that Barclays has acted wrongly here. He's explained that this is having a significant impact on him and he's also gone into more detail around the circumstances that he thinks have led to Barclays reporting him to CIFAS. I've taken into account everything he has said about a third party operating his account and withdrawing money. But he hasn't said anything that makes me think that Barclays has done anything wrong here or that it wouldn't have been entitled to report him to CIFAS. So I won't be asking it to do any more.

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 30 June 2018.

James Staples
ombudsman