

complaint

Mr S's complaint against Barclays Bank UK PLC (Barclays) is that it registered a fraud alert warning against his name, which means he can't open another bank account elsewhere.

background

Mr S held an account with Barclays. In September 2018, a large credit was received into the account, and withdrawn as cash. A fraud was reported, and investigated, and it was determined that the money that came into Mr S's account had been obtained fraudulently.

Mr S's account was then closed, and CIFAS (Credit Industry Fraud Avoidance System) and Hunter markers registered against his name.

Mr S came to realise this when he tried unsuccessfully to open a new account elsewhere.

He complained to Barclays, asking it to remove the markers. But it explained why it had applied them, and why they couldn't be removed.

So Mr S brought his complaint to our service.

Our Investigator looked carefully at the evidence, and spoke further to both parties. He concluded that Barclays hadn't acted unreasonably in taking the action it did following the outcome of its fraud investigation, and that he couldn't uphold Mr S's complaint. He referred to the Payment Service Regulations 2017 (PSRs), and said he believed the account activity leading to the application of the fraud markers, had been authorised by Mr S.

Mr S didn't agree. He maintained it wasn't him who withdrew the cash from his account after the large payment was received. He said he'd lost his bank card and PIN. He also denied being paid, or asked, by someone else to use the account.

He asked for an ombudsman's review.

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'm in agreement with our Investigator that we can't uphold this complaint.

I know this will be very disappointing for Mr S, but my role is to assess all the evidence, and reach an outcome that's fair to **both** parties. Mr S is asking me to tell Barclays to remove the CIFAS and Hunter markers. In order to be able to do that, I'd have to make a finding that the markers were incorrect, or applied in error. But I've not been able to do so.

The evidence I've seen suggests that it was more likely to be Mr S, or somebody authorised by him, who made the large cash withdrawal than anybody else. His genuine card and PIN were used, and an additional security question was answered at the cash terminal, to allow a larger than usual daily amount to be taken out. To do this somebody other than Mr S had to have the card, PIN, and security question answer. Mr S has told us he can't explain how this might have happened.

In addition, the withdrawal was made at the same branch where Mr S had opened his account. This seems a big coincidence if it's a case of third-party fraud.

Finally, our Investigator previously commented on Mr S's version of events, and the inconsistencies in his stories – particularly regarding the loss of his card and school lanyard, and personal security information. I agree with what he said. In cases such as this, where some of the evidence may be incomplete, we have to decide on a balance of probabilities what we think's most likely to have happened. And if some of the evidence we do have is personal testimony, then it's important that we consider how truthful and accurate we believe it to be. Inconsistencies, for obvious reasons, can cast doubt on a person's credibility.

In this case, not only do we have Mr S not sticking to the same story about what he lost and when, we also have the fact that he didn't report his card as lost or stolen – to either Barclays or the police, and neither did he query Barclays closing his account, until he found he was unable to open another elsewhere. This is unusual, and not what you'd expect from somebody who'd been an entirely innocent victim of fraud and theft.

Put together with the other evidence we have, I think there's enough for me to say that it looks more likely than not that Mr S was involved in the fraudulent activity that took place on his Barclays account. That's to say, that I'm satisfied he authorised the transactions (PSR's 2017 – this makes Mr S responsible for them). And as such it wasn't unreasonable for Barclays to place the relevant anti-fraud markers against him. I'm satisfied that it met the criteria for doing so, and that it hasn't made a mistake or treated Mr S unfairly.

For all these reasons, I can't uphold the complaint.

my final decision

My final decision is that I can't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 May 2020.

Ashley L B More
ombudsman