

## **complaint**

Mr F complains that Barclays Bank UK PLC has reported information about him to CIFAS, the UK's fraud alert service, and that the bank closed his account without explanation.

## **background**

Mr F held an account with Barclays. On 8 September 2017, his account was credited with more than £4,000 through three separate transfers. Immediately afterwards nearly all the money was withdrawn; most of it at an Assisted Service Device machine (ASD) at a Barclays branch and a cash machine. There were also some card payments.

Shortly afterwards, the payments into the account were identified as fraudulent – the holder of the account from which they were made hadn't authorised them. Following a review, Barclays decided to close Mr F's account with immediate effect, and wrote to tell him. Barclays says it took this decision based on a report from the other bank that the payments to Mr F's account had been made fraudulently, and the fact that the money was withdrawn from his account using his card and PIN, along with other personal information.

Barclays closed the account and placed a CIFAS marker against Mr F's name. Mr F complained, saying he knew nothing about the payments into his account or the withdrawals from it – he didn't think Barclays had treated him fairly.

One of our investigators looked at the complaint but thought that Barclays had acted fairly. Mr F didn't agree and asked that an ombudsman review the case. He told us about the difficulties he has had in opening a new account and the impact on him. He said he'd lost his card before the disputed withdrawals and that whoever found it must have got his PIN and personal information from someone working at Barclays.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. But having done so, I have come to the same conclusions as the adjudicator and for broadly the same reasons. I realise Mr F will be disappointed by this so I will explain why.

### *Payments*

There is no dispute that the money paid into the account didn't belong to Mr F. The transfers weren't authorised by the account holder and their own bank will have investigated those payments before reaching that conclusion. They were the proceeds of fraudulent activity. Mr F says he knew nothing about the payments made to his account or the subsequent withdrawals.

The funds were withdrawn immediately after they were deposited. So I've reviewed the available evidence to see how that happened. In order to make the withdrawals and other payments, I'm satisfied that a combination of Mr F's genuine card and PIN would have been required. As well as this, for the withdrawals (and the transfer) made at the ASD, Barclays says that Mr F's date of birth was also needed. So I've gone on to consider whether it's likely Mr F's card, PIN and date of birth could have been acquired by someone acting without his knowledge or consent.

I shall first deal with the matter of Mr F's card. When Mr F referred his complaint to us, he told us that he had his debit card with him at the time of the disputed withdrawals. However, he later said he'd lost his card before the disputed withdrawals took place. He said he reported his card lost to the bank on 11 September; that is, after the fraudulent funds were credited to his account and then withdrawn.

Mr F hasn't given us a consistent version of events. Even if I accept he lost his card in the days and weeks leading up to the 8 September on his way to and from college or misplaced it, I'd still need to understand how an opportunist fraudster was then able to get hold of his PIN and date of birth. Our adjudicator asked Mr F how this might have happened, including whether he'd ever kept a written record of his PIN. However, Mr F said he hadn't recorded the PIN anywhere – he said he'd memorised it. So, I don't think someone got his PIN this way.

I've reviewed Mr F's account statements and note that he made a cash withdrawal on 23 August. So I've considered whether an opportunist could have seen him entering his PIN and then stolen his card. But I don't think that's likely to be what happened, as they still wouldn't have had his date of birth.

Mr F has said that his PIN and other personal information could have come from someone working at Barclays. But I've not seen anything to suggest it's possible for staff to see a customer's PIN. And I know from the bank's records that no new PIN notifications were sent around the time Mr F says he lost his card.

There is another possible explanation for me to consider. That is, that Mr F allowed a third party to use his account card, PIN and other information to withdraw the funds. I think, based on the evidence available to me, that's most likely what did happen. Noting the inconsistencies in his version of events, I don't believe Mr F's told Barclays or us everything he knows about what was going on. I realise that's a difficult message to receive but I have considered everything carefully before coming to this conclusion.

#### *Account closure*

I've thought about whether Barclays treated Mr F unfairly in closing his account. But I don't think it did. The terms and conditions allowed Barclays to end its relationship in the circumstances at play here. I know that Mr F wanted to understand why his account had been closed and I'm satisfied he now does.

#### *CIFAS marker*

Barclays applied the CIFAS marker because it said it believed Mr F had misused the account facility. I've looked at whether it was fair for it to do that. CIFAS guidance says the business must have carried out checks of sufficient depth to meet the standard of proof set by CIFAS. This essentially says that Barclays needs to have enough information to make a formal report to the police. And that any filing should be for cases where there are reasonable grounds to believe fraud or financial crime has been committed, rather than mere suspicion.

Having reviewed Mr F's account of events and the evidence Barclays has provided I think there would have been grounds to report the events here to the police to investigate, and that Barclays was therefore justified in placing a CIFAS marker against Mr F's name.

I appreciate this will be a great disappointment to Mr F as the marker might be causing him difficulty now and in the future. But given what I've said above, I don't think Barclays has treated him unfairly in respect of closure of the account and recording the CIFAS marker. So I won't be asking it to do anymore.

**my final decision**

My final decision is that I don't require Barclays Bank UK PLC to do anything further to resolve Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 2 January 2020.

Sarita Taylor  
**ombudsman**