

### **complaint**

Mr L is unhappy that he is being held liable by Barclays Bank Plc for an overdraft that accrued on his account. He says the overdraft came about following fraudulent activity. He is also unhappy that Barclays has withdrawn banking facilities.

### **background**

Mr L was approached (via his brother) by someone (Mr D) claiming to owe Mr L's deceased father money. Mr L supplied his bank details to receive the funds and then foreign cheques were deposited. Mr L made transfers to his other accounts and also to other third parties who Mr D said he also owed money to. The cheques were returned unpaid, creating an overdraft. Barclays says it was entitled to close the account and is not required to give reasons. It also says Mr L is liable for the overdraft.

The adjudicator did not recommend that this complaint should be upheld. She concluded that the account became overdrawn because Mr L wrote cheques on the account. As a result she concluded that Barclays was entitled to hold Mr L liable for the overdraft. Mr L disagrees and has asked for a review of his complaint. He is unhappy that his credit file shows a "late payment" entry in relation to the overdraft. He says the only way he could have avoided this was to repay the overdrawn amount before making his complaint to the Financial Ombudsman Service.

### **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have sympathy with Mr L who has been the victim of fraud. I accept he feels frustrated and inconvenienced as a result of Barclays' actions in closing his account and requiring him to repay the overdraft. However, I am unable to uphold his complaint unless I find that Barclays has made an error or treated him in an unfair or unreasonable manner in all the circumstances.

I consider it unfortunate that Mr L's account became overdrawn. However, in all the circumstances I am unable to find Barclays is at fault in requiring Mr L to repay the overdrawn amount. I agree with the adjudicator that the account became overdrawn as a result of Mr L writing cheques on the account. I accept he did this in the belief the funds paid in had been cleared. But as they were not cleared, it followed that the account became overdrawn when the cheques he issued were presented. While this was unfortunate for Mr L, I am unable to conclude that Barclays did anything wrong. I also do not consider it was at fault in requiring Mr L to repay the overdrawn amount.

However, I am unable to find there was an error on the part of Barclays that contributed to the account becoming overdrawn.

Turning to Mr L's credit file, I accept Mr L would like the entries on his file to be amended to reflect the fact that he did not repay the overdraft while his complaint was being investigated by this service. He says that, rather than a "late payment", his file should reflect a "query", since he has been the victim of fraud.

I have sympathy with Mr L. I accept that it was not practicable for him to repay the entire amount overdrawn when it was demanded. However, I am unable to find that Barclays was at fault in entering the information it entered on his file. If Mr L is concerned that the information on his credit file doesn't give the full picture, it's open to him to apply a Notice of Correction explaining the background.

**my final decision**

My decision is that I do not uphold this complaint.

**Zoe Copley  
ombudsman**