

complaint

Mr S complains Barclays Bank UK PLC has unfairly closed his account and recorded a CIFAS marker against his name. He would like his account to be re-instated, the marker to be removed, a full investigation and to be compensated.

background

Mr S was issued with a notice to close his personal account in September 2018. The same notice was also sent in relation to his business accounts – which are the subject of a separate complaint. The closure of the account was with immediate effect.

When Mr S complained, Barclays did not uphold his complaint. It said it had acted in accordance with the terms and conditions of the account in not giving any notice. It said it would not be reversing its decision. What it didn't say, in its final response to Mr S, was that it had also recorded a fraud marker against him.

Mr S then brought his complaint to this service where our investigator looked into matters for him. He told this service he had lost approximately £6 million as a result of the closure of his personal account and wanted to be compensated accordingly.

Our investigator thought Barclays had acted fairly and was correct in recording the fraud marker – so he said he wouldn't ask it to do anymore. Mr S made some further submissions and asked for an ombudsman's decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint – and having done so, I arrived at a different conclusion than the investigator.

I have explained this to Barclays and to Mr S and have invited submissions back from both. Both parties have now responded. Barclays accepted my findings – but Mr S has not. He thinks his account was closed unfairly and he also feels he has evidenced his loss of earnings in sufficient detail for me to make an award.

I've looked again at what he has sent to this service and I've given further thought to his submissions. I am afraid they do not change my decision – which I have set out below.

account closure

My role does not allow me to interfere with a business decision. Barclays has decided it no longer wants Mr S as a customer. I can ensure it has followed its process in a fair way – but I cannot ask for that decision to be reversed.

So, the account terms and conditions allow for Barclays to close Mr S's account with immediate effect if it feels certain conditions are met. I can't see that it was unfair or unreasonable in the process so do not uphold this part of the complaint.

CIFAS

The bar for recording a CIFAS marker is a high one. At the time of the recording, Barclays

needs to have satisfied the following:

- ☐ *That there are reasonable grounds to believe that a Fraud or Financial Crime has been committed or attempted;*
- ☐ *That the evidence must be clear, relevant and rigorous such that the member could confidently report the conduct of the Subject to the police*

I can't see that it could satisfy either.

Having been contacted by two different parties about transfers made into Mr S's account, it did not carry out an investigation - nor did it speak to Mr S to ask for his version of events. It simply made the decision to close his accounts and record the marker.

I think it acted unfairly and unreasonably in doing so. Accordingly, this part of the complaint is upheld.

Compensation

In the circumstances of the case, I do not think it is fair or reasonable to award compensation.

Mr S acknowledges this service has limitations with the level of award and he also submits this may be a head of damage which he will pursue through other channels.

For my part, I don't think he has sufficiently evidenced his losses and therefore make no award.

my final decision

My final decision is that I uphold this complaint in part.

Barclays Bank UK PLC should remove the CIFAS marker recorded against Mr S with immediate effect.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 August 2020.

Shazia Ahmed
ombudsman