

complaint

Mr S has complained Barclays Bank UK PLC has registered a fraud-related marker against his record after some transactions on his account which Barclays believe he authorised. Mr S disputed this.

background

Mr S brought his complaint to the ombudsman service after Barclays had closed his account and lodged a CIFAS marker against his name. They told him they'd closed his account as he'd misused it. They believed he'd either taken money out of the account after fraudulent payments had been made into it or he'd allowed someone else to use his account.

Detailed evidence was provided by both Barclays and Mr S's father on his behalf.

Our adjudicator felt overall the evidence pointed to Mr S knowing about or having authorised himself what happened. He therefore didn't think it was right to ask Barclays to remove the CIFAS marker as they'd met the relevant tests in lodging this.

Mr S disagreed with this outcome and asked an ombudsman to review his complaint.

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've reached the same conclusion as our adjudicator and for roughly the same reasons. I'll explain why.

Firstly I can see the timeline of events and the different arguments around who may have authorised the transactions prior to Barclays closing this account in February 2018 were comprehensively covered in our adjudicator's view of 28 February 2019. I don't intend to repeat everything that was said there. Except to say I'm satisfied I've reviewed the complaint thoroughly.

The issues I think are pertinent to this complaint include:

- Mr S increased his cash machine withdrawal limit on his account in June 2017. So I believe it's more than likely that he did this again, using his mobile phone, on 26 January 2018.
- This increase allowed someone to take the £450 that was withdrawn from the account on 2 February. Mr S hasn't been able to explain this.
- It is more than possible that Mr S could have been shoulder-surfed and his card stolen on 20 January just after he used a cash machine at 4:12pm. But the rest of what's happened doesn't suggest this is the full story.
- Mr S didn't tell Barclays his debit card was missing. I appreciate he was young when this happened so may well not have realised the importance of reporting this loss as soon as it happened.
- Mr S had his mobile phone throughout what happened. He regularly logged onto his Barclays account to see what was going on until 31 January 2018, prior to the fraudulent funds being paid in. He then doesn't log on again until 6 February after the second fraudulent payment into his account. His usage was then blocked as Barclays had identified the unusual behaviour on his account.

- We know that fraudsters encourage people whose genuine account they're using to suspend checking their account whilst payments are being paid in and then rapidly withdrawn. That's what happened here.
- Transactions with Mr S's debit card after 20 January often took place when Mr S would have been in education;
- The transactions that happen on 2 and 5 February didn't require any additional ID apart from Mr S's card and PIN and date of birth.
- Mr S said his driving licence could have gone missing at the same time as his debit card. I don't dispute this but don't think that alone would suggest someone unknown, and without Mr S's knowledge, has done this.

I've also considered what the Payment Services Regulations say. This means I have to decide whether I believe Mr S made or authorised the transactions made on 2 February (and those before from 20 January onwards where Mr S's own funds were used).

There are a number of different scenarios that could have happened here. But overall, and taking into account Mr S knowing the status of his account up to 31 January – he himself tried to make payments to someone he knew but was unable to as there weren't sufficient funds – I think Mr S was aware someone else was using his account. And therefore I've concluded he authorised this use.

I asked Mr S's father for additional information. He'd indicated he was going to approach his son's mobile phone provider to show his phone could have been tampered with. He's not been able to provide this. I also asked whether there was further information he was able to provide about what could have happened.

We know young people are targeted by fraudsters so that their accounts can be used to transfer money fraudulently. Sometimes young people are encouraged financially to participate in this type of fraud but sometimes there are other things going on. I've not seen anything here to show Mr S got any financial benefit out of what happened. In fact the cash machine withdrawals that happened on 24 and 26 January use Mr S's own money. It is, of course, possible that Mr S withdrew this cash himself but I accept that isn't what he's told us.

I'm aware that Mr S had recently crashed his car just before this had happened. I very much doubt his father was chuffed about this. He may have felt unwilling to confide further in his parents about what was going on as this was an upsetting time. Our adjudicator tried to get Mr S to tell us what happened. Limited information was forthcoming.

I'm very aware that a CIFAS marker being lodged against someone who's only just 18 and off to further education will have a large impact on them. On balance though I don't think it would be fair to ask Barclays to remove this. Based on the evidence presented to me, I don't think they've done anything wrong.

my final decision

For the reasons I've given, my final decision is not to uphold Mr S's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 January 2020.

Sandra Quinn
ombudsman