

The complaint

Mr S has complained that Barclays Bank UK Plc unreasonably refused to refund transactions he didn't authorise in the sum of £18,813.83 which took place between 1 and 8 August 2022.

What happened

Mr S contacted Barclays on 8 August to explain there was unusual activity on this account which was also connected his mother's business account. Through its investigation Barclays saw that the disputed transactions amount to the following:

- Two Assisted Services Device withdrawals on 3 and 4 August 2022 for £4,000.
- Ten ATM withdrawals between 1 and 7 August 2022 for £3,500.
- 54 retail transactions between 4 and 7 August 2022 for £11,313.83.

It appears this activity was largely funded by transfers from Mr S' mother's business account of £2,000 on 3 August 2022, £5,000 on 4 August 2022, another £5,000 on the same day and £6,000 on 8 August 2022 and another £460 also on that same day. These transfers were done via the mobile banking app using a newly registered device, which Mr S says he didn't register.

Barclays was of the view the phone was registered by Mr S on 1 August 2022 given it needed the debit card and PIN to register it. So, it took the view that the transactions were done by Mr S or someone on his behalf. So, it refused to refund them to Mr S. Mr S brought his complaint to us. The investigator was also of the view that Barclays hadn't done anything wrong. Mr S disagreed so his complaint has been passed to me to decide.

What I've decided – and why

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 not upholding this complaint. I'll explain why. Mr S also explained to the investigator that he wanted to provide more information. However, despite being reminded no such further information was received from Mr S before his complaint was passed to me. I again asked Mr S if he wanted to send in more information, but again no such information was sent in.

The regulations under which govern payment services are called the Payment Service Regulations (PSR's). Banks are under a duty to make the payment request when it presents as being authorised and authenticated. As in the payment is requested using the correct card and PIN for ATM transactions, the correct login details for mobile app transactions and

the correct card and PIN for retail transactions. Under the PSR's the consumer Mr S is liable for all authorised transactions.

So in Mr S' case, that means for all these transactions the alleged fraudster would have known Mr S's PIN, have access to his debit card, have access to the login security credentials and passcodes for the banking app and his own phone plus the newly registered device. All over an eight-day period. This in itself doesn't appear that plausible, as fraudsters once they gain access to an account would tend to try and empty it very quickly before the victim could see what was happened and get the account blocked.

Barclays said the new device registered to Mr S' account on 1 August 2022 was registered using Mr S' debit card and PIN. It was registered from an IP address similar to what Mr S used to login into the banking app, using the same internet provider and the same router Mr S has used. Mr S also said he lost his debit card on 5 August 2022 so he would have still had his card at the time of the registration of the new device and indeed some of the disputed transactions too since they started on 1 August 2022.

Many of the retail transactions would have required the PIN also, which Mr S is under a duty not to divulge to anyone. He did however admit on the phone to Barclays that his wife knew his PIN. More crucially in my view when Mr S needed to present himself to branch both on 4 August and then again on 5 August 2022 to verify his identity he also confirmed his wife was using his debit card elsewhere in the country, shopping for a wedding.

There is no evidence to show me that there was any compromise of Mr S' card and PIN or phone. On that basis it is more likely that not on the evidence I have seen that these transactions were properly authorised under the PSR's.

Therefore, I don't consider Barclays did anything wrong in holding Mr S liable for these transactions and in refusing to refund them.

My final decision

For these reasons, it's my final decision that I don'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 17 July 2023.

Rona Doyle
Ombudsman