

The complaint

Mr C complained because Barclays Bank UK PLC refused to refund him for payments which he said he didn't make.

What happened

On 6 September 2023, Mr C contacted Barclays. There had been two online payments from his Barclays account which he said he hadn't authorised. The payments were for £500 on 5 September and £200 on 6 September. They had been sent to Mr C's partner's account, which was also a Barclays account. From there, the money had been sent to a third party organisation.

Mr C said his partner had asked him if he'd transferred £700 into her account, but he hadn't. He told Barclays that he only used mobile banking, not online banking. He thought his mobile might have been hacked. He said he hadn't told anyone his security information, or been asked to download any software, or clicked on any email or other links. Barclays blocked Mr C's card and online banking, and investigated.

Barclays didn't agree to refund Mr C for the disputed transactions to his partner, to whom he'd made payments before. But it told Mr C that if his partner wanted to raise a dispute about the £700 which had then left her account, she could do so.

Mr C wasn't satisfied and contacted this service.

Our investigator didn't uphold Mr C's complaint. She set out the technical computer evidence about the two disputed withdrawals from Mr C's account, and said it was more likely than not that Mr C had been responsible for making them.

Mr C didn't agree. He asked that we should look at where the transfer went from his partner's account, and asked for an ombudsman's decision.

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.

What this decision covers

First, I'll clarify that this decision is about the disputed £500 and £200 transactions from the account in Mr C's sole name. It's not about the money which then left the account in his partner's sole name.

I recognise that Mr C wants us to find out where the money went when it left his partner's account. But there are rules governing what this service can and can't look at, and one of those is that the person complaining must be an "*eligible complainant*." Mr C isn't an eligible complainant for transactions happening on his partner's account which isn't in his name. It's only Mr C's partner who can complain about any disputed transaction on her account. If she

wants to complain, she'll need to contact Barclays first, as a separate complaint on her own account. If she and Barclays can't agree, she can come to this service once Barclays has given her its final decision. But I can't consider a complaint by Mr C about money going out of his partner's account.

So this decision is only about the two disputed transactions for £500 and £200 which went from Mr C's account to his partner's account on 5 and 6 September.

Regulations

There are regulations which govern disputed transactions. The relevant regulations here are the Payment Services Regulations 2017. In general terms, the bank is liable if the customer didn't authorise the payments, and the customer is liable if they did authorise them. So what I have to decide here is whether it's more likely than not that it was Mr C who authorised the two payments from his account, or a third party fraudster unknown to him.

The regulations also say that account holders can still be liable for unauthorised payments under certain circumstances – for example if they've failed to keep their details secure to such an extent that it can be termed "*gross negligence*."

Who is most likely to have authorised the two transactions?

I've looked at the computer evidence supplied by Barclays. This shows that the disputed £500 and £200 transactions:

- were carried out by logging in to Mr C's online banking using his memorable security information and his passcode;
- were made from an IP address (a unique computer identifier) which Mr C had previously used many times, for logins and for undisputed payments;
- were sent to Mr C's partner's account, and she was an existing beneficiary already set up on Mr C's account.

Also, there were several mobile banking logins after the first disputed transaction on 5 September and before the second disputed transaction on 6 September. I don't consider this is likely to have been a fraudster logging on. That's because fraudsters tend to take out as much money as possible as quickly as possible, before the theft can be discovered and the account blocked. And these were just logins, with no withdrawals involved. So it's likely that it was Mr C who logged in. But he didn't then immediately report the first transaction to Barclays as fraudulent. I can't see why he didn't do so, if he didn't authorise the transaction.

I've borne in mind that Mr C said he hadn't disclosed his security information to anyone else. So I can't see how anyone else could have accessed his account, using his security information, from the IP address he'd used many times before, and carried out the disputed transactions.

And if it were a third party fraudster, it's more likely that they'd have made the payment to themselves, not to Mr C's partner.

Taking all these factors into account, I consider it's more likely than not that Mr C authorised the transactions himself. So Barclays doesn't have to refund him. As I've explained above, if Mr C's partner wants to dispute withdrawals on the account in her sole name, she'll need to raise a separate complaint about that with Barclays.

My final decision

My final decision is that I do not uphold Mr C's complaint about the disputed £500 and £200 withdrawals from his account.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 April 2024.

Belinda Knight
Ombudsman