

## **The complaint**

Mr S complains that Barclays Bank UK PLC won't refund a disputed transaction made from his current account. He'd like the funds returned and compensation for the impact.

## **What happened**

Mr S had a current and a savings account with Barclays.

On 7 December 2020 Mr S's Father transferred £1,700 to Mr S's savings account – although only £1,688 was received.

On 15 January 2021 Barclays made the decision to close Mr S's accounts with immediate notice. On doing so, they made the remaining funds in Mr S's account available to him. These totalled £219.99.

But Mr S wasn't happy – he wanted to know what happened to the £1,688 that came into his account from his Father. The funds were initially transferred to Mr S's savings account on 7 December 2020. Then on the same day £1,700 was moved to his current account, prior to being transferred out to a cryptocurrency provider I'll call L.

On 11 December 2020 two further payments came into Mr S's account for £1,700 and £82.44 from a third party. Mr S says he doesn't know the third party and wasn't expecting the payments. On the same day these funds were transferred out of Mr S's account to L via £1,600, £100 and £50 payments. Which Mr S says he didn't carry out.

Mr S brought his complaint to our service.

One of our Investigators looked into his complaint. They concluded that Barclays were entitled to close Mr S's account, and thought on balance he authorised the payment of £1,700 to L on 7 December 2020.

But Mr S didn't agree. And asked for a decision.

One of my colleagues looked into Mr S's complaint. They reached out to Mr S to ask him whether he wanted the account closure element of his complaint to be addressed – but he confirmed he didn't.

On reviewing his complaint the Ombudsman thought Barclays hadn't provided sufficient evidence to show how the disputed payment was authenticated. For that reason they couldn't conclude Mr S had authorised the payment, and recommended that Barclays refund Mr S £1,700 plus 8% interest on the funds and £150 compensation.

Mr S agreed with the Ombudsman's recommendation, but Barclays didn't. And in response they provided a copy of the mobile banking log showing how the disputed payment was authenticated.

Due to unforeseen circumstances the case was reallocated to me. I'd reviewed the information provided by Barclays and asked Mr S for more information about his security

details.

On reviewing all the information provided I reached a different conclusion. On balance I thought it more likely than not Mr S had carried out the disputed transaction. I issued my Provisional decision on 8 February 2024, giving both parties until 22 February 2024 to reply. An extension was then granted until 19 March 2024.

Barclays agreed with my decision. But Mr S didn't. In summary he said he didn't authorise the payment, and he's provided proof to show this.

As Mr S didn't agree, I've proceeded to review my conclusions.

### **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.

In my Provisional Decision I said:

*For Barclays to hold Mr S liable for the disputed transaction they need to take into account the relevant regulations, namely the Payment Service Regulations (PSRs) 2017. The PSRs explain that firstly Barclays need to show how and when the payment was authenticated. I'm satisfied from the evidence I've seen this has now been provided. But on its own this isn't enough to hold Mr S liable. I also need to conclude Mr S authorised the payment. And I think on balance Mr S did. I say this because:*

- *From the evidence provided by Barclays I can't see how Mr S's mobile banking was logged into. And I understand this isn't something they are able to provide. However, I'm satisfied that to access Mr S's mobile banking application, a fraudster would either need to have access to Mr S's biometrics or his online banking details.*
- *I asked Mr S if he's shared his personal banking details with anyone else, or he had them written down anywhere. Mr S told me that he hasn't either shared or written them down. I've thought about what this means in his case – this means if a fraudster accessed his mobile banking via his personal details and password, they'd need to guess these. I don't find this plausible. I've also not seen a plausible explanation for how Mr S's mobile banking could be accessed via his biometrics.*
- *A new device was set up on 6 December 2020, and this device carried out the transfer of £1,700 from Mr S's savings account to his current account. And then onwards to L. However, this device was linked to Mr S's mobile phone number. The audit also shows that Mr S's existing device, registered in September 2020 was used to make two payments of £3, to L on 29 November 2020. I find this odd, when Mr S has explained he doesn't have an account with L. And he advises he didn't make these payments.*
- *I've seen evidence from L which shows that an account was open with Mr S's personal details. These include his address, email address and phone number. L also informed our service that the customer would have their identity verified on opening an account – this involves a scan of a government issued identity document and a 'selfie' photo. Mr S has told our service he doesn't have an account with L. To set up an account with L in Mr S's name a fraudster would have needed a significant amount of information. And I can't see, on balance, how this could have been obtained without Mr S's knowledge.*

*For the reasons I've outlined above I think on balance Mr S authorised the payment. It follows, I'm not planning to ask Barclays to do anything further.*

Barclays accepted my Provisional decision. But, Mr S didn't. In response he said he didn't carry out the payment, and he'd provided evidence to show this. But, Mr S didn't provide any further evidence for me to consider. And I haven't seen anything he's shared which enables me to conclude this. For this reason I won't be changing my conclusion that on balance Mr S authorised the payment.

I realise that Mr S will be disappointed but I won't be asking Barclays to do anything further here.

### **My final decision**

My final decision is 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 18 April 2024.

Jeff Burch  
**Ombudsman**