

The complaint

Mr R says Barclays Bank UK PLC, trading as Barclaycard, ("Barclays") refuses to refund him for transactions on his account he says were unauthorised.

What happened

Mr R says on 25 October 2022 he noticed unauthorised transactions on all four credit cards linked to his account – his own card, his wife's supplementary card and the two additional cards in his sons' names. Mr R says the cards that were used for these transactions were all in the possession of the rightful card holders and he thinks someone cloned the cards or discovered the card numbers in order to use them fraudulently. So, Mr R wants these transactions, totalling £1,189.19, refunded to him.

Barclays says it has held Mr R responsible for the disputed transactions on all four cards as they were all completed as card present transactions – and as Mr R says the cards are all in their possession, it says he should be held liable.

Our investigator considered this complaint and decided not to uphold it. Mr R didn't agree, so the complaint has been passed to me for a final 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.

A consumer should only be responsible for transactions made from their account that they've authorised themselves. Mr R has said they didn't give any permission for the transactions in dispute to be made but Barclays believes he (or the supplementary cardholders) did. My role then is to give a view on whether I think Mr R (or the supplementary cardholders) more likely than not authorised the transactions, based on the evidence I have available.

Barclays has provided evidence to show all the transactions in dispute were payments made with the physical card present – either contactless or chip and PIN. Mr R says the cards are all in their possession, either in a locked cupboard at home or in the cardholders' wallet. Mr R says he thinks the cards have been cloned somehow, or that someone else has managed to guess the card numbers as all the card numbers are the same, bar one digit. However, the evidence shows these transactions were not made over the phone or online, or via any other remote activity. These transactions were all made via the physical chip on the card. At this point in time, we are not aware that the chip can be cloned or copied. And in any event, based on Mr R's evidence the cards have all been in the family's possession. So, there is no evidence to suggest anyone else could've had access to the relevant cards that made the transactions. As some of the transactions were PIN authenticated transactions, whoever used the cards in questions would've needed to know each cardholders PIN. I've not seen any evidence to explain how someone else would've taken possession of the four cards and known each of their PINs. So overall, I am not persuaded the transactions were made without the authorisation and consent of the cardholders.

The transactions in question are not typical of fraud. I say this because the transactions were carried out over a few days and were for fairly small amounts. Usually, we would expect to see a fraudster make consecutive large transactions in order to maximise the credit facility as quickly as possible and before being detected. As I've said above, I've also not seen any other evidence to suggest any other third party had access to Mr R's card or PIN. So, I do not think it would be reasonable to ask Barclays to refund the transactions in dispute.

My final decision

For all the reasons outlined above, I am not upholding the complaint, so Barclays Bank UK PLC do not need to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 21 November 2024.

Sienna Mahboobani
Ombudsman