

## The complaint

Mr D complains that Barclays Bank UK Plc (“Barclays”) didn’t do enough to protect him when his account was used by an individual known to him.

## What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead, I’ll summarise what happened and focus on giving the reasons for my decision.

Mr D has told us that a series of around 90 transactions made between 31 August and 3 September 2023 weren’t made by him. Instead, they were made by someone known to him – who I’ll call “P” – who had taken control of his account. And this resulted in a loss of over £11,000. He’s explained that previous payments weren’t made by him either but don’t form part of this complaint. He notes that he may have benefitted in some way from those earlier payments.

In short, Mr D feels that Barclays should have done more at the time of the transactions, and since, as he’s been left in an extremely difficult situation financially.

Barclays, having been made aware of the situation on 6 September 2023, later issued a final response. It didn’t uphold his complaint, though it latterly provided goodwill payments in an attempt to assist Mr D upon hearing of his circumstances.

Unhappy with this, Mr D referred his complaint to our Service. Our Investigator considered the complaint. She concluded the payments were authorised as Mr D was aware that P had access to, and was making payments from, his account. And she noted that Barclays had intervened and spoken with Mr D previously to confirm the payments being made were genuine. So, she thought it likely that any further intervention would also have led to Mr D confirming the payments as genuine. She recognised why Mr D did this – he felt as though he had no choice due to the nature of his relationship with P – but she didn’t think it would be fair to say Barclays could reasonably have known. And she therefore didn’t think Barclays should refund Mr D’s losses.

Mr D disagreed with the Investigator, so the complaint was passed to me to decide.

I issued a provisional decision in September 2024. In it, I said:

*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 minded to uphold this complaint and I’ll explain why. But, before I do, I wanted to express how sorry I am to hear about the incredibly difficult circumstances Mr D has faced. I must make it clear that my provisional decision is based around whether Barclays can fairly be held liable for his losses. I don’t doubt what Mr D has been through, the reasons for taking the actions that he has, or the emotional and physical toll this has all had on him.*

*As our Investigator did, I've also thought about whether these payments should be considered authorised. While Mr D has explained the circumstances that led to P using his account, under the relevant regulations – the Payment Services Regulations 2017 – Mr D consented to the payments. And that means I must consider them as authorised.*

*The starting position with authorised payments is that a business should process the payments – so Mr D would therefore be liable for the payments made. But I've thought carefully about whether Barclays should have been concerned about any of these and whether it should have intervened.*

*However, I note that Barclays did intervene. It sent Mr D a text message on 31 August – the first day of the disputed payments – asking him to call in and state “card blocked” after an attempted payment. Barclays said in the call, which I've been provided a copy of and have listened to, that it wanted to make sure it was Mr D who had attempted the payment. Mr D confirmed it was him and also confirmed three other payments made as genuine.*

*These payments, along with just under 90 others have since been disputed. I can appreciate that Mr D felt as though he had no choice but to tell Barclays that he'd made these payments during the call. But I can't see what would have alerted Barclays to the fact Mr D was only confirming these under duress, especially given his calm manner and overall demeanour during this call.*

*To avoid confusion to either party, I should note here that our investigator also referred to a telephone call. However, this call was from July 2023 – prior to the disputed payments – not August 2023 as stated. While not relevant to the period in question, my understanding is that Mr D likely didn't make the payments discussed in that call either. And I think it's worth noting that Mr D's manner was much the same as that in the later call.*

*Individually, the disputed payments weren't overly high in value, with the highest looking to be just over £600. So, I don't think there's an argument here that Barclays should have contacted and questioned Mr D further around what they were being made for. I do note that Mr D was making a high volume of relatively low value payments in quick succession and that this was unusual for him. But even if I were to suggest that Barclays should have intervened further – which I'm inclined to say wouldn't be reasonable – I can't see that it would have made a difference here. I say this because I don't think it likely that Mr D would have responded any differently to how he did in the abovementioned call of 31 August 2023. If he felt as though he'd had to state those payments as genuine, I see no reason why he would have felt able to dispute further payments.*

*I've thought specifically about a few points Mr D has raised. Some of the transactions were gambling transactions, despite the fact he'd applied a block to the account on 31 August. While the block was removed the same day, Barclays has explained it applies a 72-hour cooling off period which would have meant that gambling transactions wouldn't be processed for the remaining period of the payments in question. So, in theory, payments for gambling merchants shouldn't have been processed. However, having questioned Barclays about this, it notified me that the Merchant Category Codes (MCC) for these transactions didn't match the MCC code applicable to gambling merchants – so these weren't stopped as there are limitations to the blocks that can be applied. I'm satisfied that this wasn't an error on Barclays' part.*

*I've also thought about the different devices used to access Mr D's account – and whether this should have alerted Barclays to an issue. But, ultimately, I can't see that this would make a difference to the overall outcome. It doesn't appear, from what I've seen, that Barclays' records reflect as many devices able to access the account as Mr D has stated. But, should there have been an expectation on Barclays to query this, I come back to my earlier point that Mr D would likely have explained away the issue in order to allow the payments through because of the circumstances he faced.*

*So, as much as I empathise with Mr D's circumstances, I don't think it would be fair to hold Barclays liable for his losses. Barclays simply wasn't aware of the tremendously difficult situation he was in and any attempts it made to intervene were met with reassurance from Mr D. So, while I recognise how disappointing this will be for Mr D, I don't think Barclays could reasonably have been expected to do anything further and I'm not minded to ask it to refund the money.*

Barclays didn't have anything to add. But Mr D responded with further points. In summary, his points were:

- Barclays told him not to contact any of the companies involved, preventing him from having the opportunity to recover some of his funds;
- He was told some of his money was sent abroad but my decision fails to address why he was provided with this information and what relevance it has to the investigation of the case;
- He doesn't feel that the extent of his experience has been adequately acknowledged in my decision;
- He questioned whether a text message was a sufficient intervention, given that this resulted in the total depletion of the account;
- He wants to know what Barclays has done to try to recover the funds;
- Multiple devices were used to access his account which relates to potential security breaches and this matter needs to be properly investigated.

In addition to this, Mr D raised additional points about the impact of the time it's taken for his complaint to be progressed and the consequences of being asked to access a cryptocurrency account. But these points relate to our Service's handling of the complaint and aren't directly relevant to his complaint about Barclays. So, I won't be addressing these points specifically.

Following Mr D's response, I got in touch with Barclays. I asked whether it told Mr D that he couldn't contact any of the companies involved, about attempts to recover funds and whether more could have been done to try to recover the funds spent gambling, given the matter surrounding the block.

I considered Barclay's response and informally contacted Mr D to let him know my updated position – I'll summarise the key points.

- I let him know that Barclays disputed that it had told him not to contact the merchants involved;
- On further investigation of the payments believed to be linked to gambling, it's been found that of the two applicable merchants, one has already provided a refund as a gesture of goodwill. The second – for which payments of around £130 were made – doesn't actually appear to be a gambling website, but rather a gaming website. A user of it can't win or lose money using it and instead appears to pay for more time playing the games.

- In terms of the remaining funds, as these payments were authorised (for reasons previously given) and there doesn't appear to be any suggestion that the services paid for weren't received, there doesn't seem to be a legitimate reason that Barclays could have looked to recover the funds.

Mr D responded to note that P's purpose was to rid him of his available funds. He maintains that he was advised not to contact the companies that payments were sent to. And he believes he would have been able to recover some, if not all, of his money had he not been misadvised.

So I'm now in a position to issue my formal 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.

Having done so, I won't be upholding this complaint. There's nothing within Mr D's submissions since my provisional decision that fundamentally changes the position I outlined within it. But I'll respond to the outstanding points raised for completeness.

I know how disappointing this outcome will be for Mr D, and I must reiterate how sorry I am about what he's been through. I don't intend to be discourteous in not detailing the extent of his experiences – I have no doubt about the severity of the situation. But the focus of this decision is whether Barclays acted in error in allowing payments to be made from Mr D's account.

The file and submissions from the parties are extensive. I don't recall seeing that Barclays told Mr D not to contact any of the companies involved, Barclays has denied this, and Mr D hasn't pinpointed where it was stated but has referred me back to his general submissions. However, irrespective of whether it did, this wouldn't make a difference to my decision. I say this because by that point the payments – that, for the reasons given in my provisional decision, have been considered authorised – had already been made. And, to reiterate what I said informally to Mr D, there's been no suggestion that the services paid for weren't provided (albeit to P, not to Mr D). So I'm not persuaded that Mr D would have had any success had he contacted the merchants.

The payments were almost all card payments, so the only means of recovery would have been through chargebacks. Chargeback is a voluntary process and there are a set of rules in relation to this process. For Barclays to have tried to recover the funds from the merchants through chargeback, Mr D would have needed to provide evidence, including proof that the services hadn't been provided. But, as above, there's been no suggestion that the services weren't provided. So I don't think Barclays would have pursued a chargeback and I can't see how it would have been successful if it did.

I don't consider it relevant to my decision to explore why Barclays told Mr D where some of the funds had been sent to. The list of transactions can be found on Mr D's statements, with some referencing countries, and I don't think it unreasonable for Barclays to have shared this information with Mr D, even if it wasn't overly relevant.

Mr D has questioned whether a text message is a sufficient intervention and why the use of multiple devices hasn't been investigated further. However, the text message asked Mr D to call in. So, the intervention went beyond a text message. And I provided my thoughts on the resulting telephone call in my provisional decision. I've also explained why I don't consider the need to explore the use of multiple devices and see no reason to depart from this finding.

So, in conclusion, I don't think it would be fair to hold Barclays responsible for Mr D's losses. It wasn't aware of the situation Mr D was in and was given reassurance when it did intervene.

While I'm incredibly sorry to hear what Mr D has been through, and that he's lost such a large sum of money as a result, I won't be asking Barclays to take any further action.

### **My final decision**

For the reasons given, I don't uphold this complaint against Barclays.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 5 November 2024.

Melanie Roberts  
**Ombudsman**