

## **The complaint**

Miss B has complained that Barclays Bank Plc won't refund her for a transaction she did not make or authorise.

## **What happened**

On 22 June 2024, Miss B was out with friends at a bar. She doesn't remember much about what happened and said she was very drunk.

On checking her Barclays banking app later that morning, she saw it had been deleted and initially assumed she had done so by mistake, but once reinstalled, she checked her savings account and saw a transfer of £1,500 made in the early hours to a new payee she did not recognise.

Miss B contacted Barclays to report the loss. Miss B said she didn't authorise the transaction and believed someone used her phone whilst she was out to make the payment.

Barclays looked into the disputed transaction and held Miss B liable for the transaction. It said the payment had been made using Miss B's banking app on her genuine device which was accessed using facial recognition (Face ID).

Our Investigator spoke to Miss B and reviewed everything presented but didn't recommend that Barclays should refund Miss B for the transaction disputed. He couldn't see how the transaction was possible without Miss B's consent.

As Miss B disagreed, the complaint was passed to me to consider.

## **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.

Where there is a dispute about what happened, I have based my decision on what I consider is most likely to have happened based on the evidence provided.

In broad terms a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the PSRs and the terms and conditions of the customer's account.

When we look at whether a bank has acted fairly, one of the things we consider is whether an individual has made the transactions themselves or allowed them to be made. If they did, then we generally wouldn't ask the bank to refund them. So, Barclays can hold Miss B liable for the disputed transaction if the evidence suggests it's more likely than not that she made or authorised it herself, and Barclays is liable for any unauthorised payment.

For a payment to be regarded as authorised, the PSRs explain what steps must be completed and that Miss B must have given her consent to the execution of the payment.

Miss B has been consistent in saying she did not authorise the payment in dispute and so seeks a refund. But does not have a full recollection of the events from that night as she had been drinking. But the PSRs do not take into account someone's state of mind or knowledge. Rather they set out that consent must be given in line with what has been agreed – here between Miss B and Barclays. Unless Barclays can show that consent was given, it had no authority to make the payment or to debit Miss B's account and any such transaction would be regarded as unauthorised. So, I've gone on to consider whether consent was provided by Miss B.

From what I've seen it's clear the payment was made using the Barclays banking app on Miss B's registered device. This is important, but it isn't enough on its own to say Miss B is liable for the transaction. Barclays must show it's more likely than not that Miss B made or otherwise authorised the transaction.

Miss B has confirmed that from what she recalls, her phone remained in her possession the entire time, and her device was set to be accessed using either a passcode or biometrics – Face ID.

Barclays has provided a copy of the login attempt records for Miss B's banking app. These show that the banking app on Miss B's trusted device was accessed using Face ID - which was set up and regularly used by Miss B - both before and after the transaction in dispute was authenticated at 01.18 am on 22 June 2024, which coincides with Miss B's testimony as to when she was out that evening.

As the evidence shows the payment was approved in the banking app with Face ID for Miss B, under the account terms and PSR's, I am satisfied it was consented to and regarded as authorised by Miss B.

I have also given considerable thought to the possibility of a third party somehow accessing Miss B's device and making the payment in dispute, but conclude that even if it had been possible for Miss B's device to be intercepted, there is still the question as to how biometric authentication for Miss B was bypassed to firstly get into her device, and then again separately to get into the banking app which had its own level of security. Based on what we know, a third party would have been required to get hold of Miss B's phone, gain access to the device, use Face ID to access the banking app, take the time to set up and verify a new payee, request the payment on two separate occasions – although the first payment attempt was deemed unsuccessful - delete the app and then return the phone. All without Miss B noticing. Whilst such a series of events wouldn't be impossible, it doesn't seem particularly likely.

I can understand Miss B's position on this in that she doesn't agree with Barclays findings. Based on her recollection of the evening, she does not remember consenting to the disputed payment and it went on to a new payee she did not recognise. But as there is no alternative explanation as to how Miss B's biometrics could have been used to access her genuine device and then her banking app to make the payment - without her being present - and there is no point of compromise identified, I am satisfied it was reasonable for Barclays to hold her liable for the transaction.

I understand this will not be the outcome Miss B was hoping for and she will be disappointed, but I can't see another plausible explanation, and have to make my decision on what the evidence shows. In this case, as the evidence suggests Miss B would have needed to be present for authentication to be satisfied, I'm persuaded it's more likely than not that Miss B authorised this payment.

**My final decision**

For the reasons outlined above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 7 April 2025.

Sukhdeep Judge  
**Ombudsman**