

The complaint

Mr O has complained Barclays Bank UK PLC won't refund numerous transactions he says he didn't authorise.

What happened

From November 2021 Mr O was in prison. During this period, he'd tried to get Barclays to change his address so he could have statements sent to him. Mr O felt he learnt from a friend his Barclays accounts were being used without his authority. He raised a complaint with Barclays.

Barclays believed it was most likely Mr O had authorised the transactions. Their evidence showed his mobile, banking details and genuine card had been used so felt Mr O must have shared these details with a known individual.

Mr O brought his complaint to the ombudsman service.

Our investigator considered what had happened. She was able to track down that Mr O's mobile and debit card had been with him when he'd been arrested. The evidence showed Mr O had then arranged for his phone and other personal possessions to be given to a visitor. Based on the correct banking logons being used and that payments had gone to individuals Mr O knew, she felt it was most likely Mr O had authorised the transactions.

Mr O didn't agree and has asked for his complaint to be considered by an ombudsman.

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've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr O's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. There are exceptions to this and that would include if the customer had acted with gross negligence or intent to allow any security details – including the card and PIN, and mobile banking access – to be used by someone else.

To help me come to a decision, I've reviewed the evidence Barclays provided as well as

what Mr O has told us.

I note Barclays has provided nothing to suggest Mr O acted in a grossly negligent manner, but I note the evidence shows Mr O gave his debit card to another individual along with his mobile phone, and most likely mobile banking access details. By doing so I believe Mr O gave this individual apparent authority to use his card and mobile banking service. There are provisions within the PSRs which suggest that by giving another person their payment instrument – in this case Mr O giving someone his debit card and mobile phone – they're providing authority for that person making those transactions.

I'm sorry to say that I believe Mr O has provided apparent authority to a third party by providing them with his bank details and mechanism to use his accounts. I say this because:

- There's no dispute Mr O didn't make these transactions himself as he didn't have the means to do so.
- The mobile banking transactions were all made to known parties using Mr O's mobile phone which was registered to his Barclays' account. These were not new recipients, and the transactions resemble the ones Mr O made himself previously and has not disputed. Mr O has appealed that just because payments went to individuals he's paid before doesn't mean he authorised them. I don't disagree with him. But he accepts he gave his mobile phone and debit card to a known individual, and I believe by doing this he authorised that person to make the disputed transactions.
- Throughout the period of the transactions Mr O disputes, there were also credits into Mr O's account from the individuals payments were made to. This is not what we generally see when we consider fraudulent activity on accounts. This further suggests Mr O allowed others to use his account.

I can see that Barclays didn't deal effectively with Mr O's complaint that he'd been defrauded. Barclays has accepted this and paid Mr O £100 for the inconvenience. I believe this was fair.

However, as I believe Mr O authorised an individual to use his account whilst he couldn't, I won't be asking Barclays to refund him.

My final decision

For the reasons given, my final decision is not to uphold Mr O's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 27 May 2025.

Sandra Quinn
Ombudsman