

## **The complaint**

Mr N says Barclays Bank UK PLC, trading as “Barclaycard”, refuses to refund him for transactions on his account he says were unauthorised.

## **What happened**

The facts of this case are well known to both parties, so I won’t repeat them in detail here.

In summary, Mr N says he lost his credit card together with his PIN number which he’d written down, and only realised when he received an email from Barclaycard saying he was reaching his card limit. He says he didn’t authorise any of the transactions made on his card between 29 August and 5 October 2023, totalling £3,452.24. He also says these payments are out of character and should’ve been flagged by Barclaycard. Mr N has asked Barclaycard to refund this money.

Barclaycard considered the complaint and decided to hold Mr N responsible for all the disputed transactions. It said it wasn’t satisfied that a third party had used Mr N’s card to make these transactions without his consent. It also said that Mr N should not have written down his PIN and kept it with his card, as this was in breach of the terms and conditions of his account.

Our investigator considered this complaint and decided not to uphold it. Mr N 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.

Mr N has raised several points and even though I haven’t mentioned every point raised, I’ve considered everything he has said. However, I have limited my findings in this decision to the areas which impact the outcome of the case.

Generally speaking, Barclaycard is required to refund any unauthorised payments made from Mr N’s account. As per section 83 of the Consumer Credit Act 1974 the consumer won’t be liable for any loss from the misuse of their credit facility unless they (or someone acting as their agent) used the facility. Mr N has said he didn’t carry out the transactions in dispute, but Barclaycard thinks he did. So, I have to give my view on whether I think Mr N authorised the transactions or not.

I wasn’t there at the time and place of the spending to be able to say exactly what happened. And in this case, there is very balanced evidence and information for me to consider. So, in the absence of evidence which clearly tells me whether the transactions were authorised or not, I’ve carefully considered Mr N’s testimony and the evidence supplied by Barclaycard to come to a decision on what I think it more likely to have happened.

Mr N says he lost his wallet containing his credit card and PIN but he didn't realise straight away because he hardly takes out his physical card, and usually uses ApplePay to make purchases. And I've seen that this is the case from his transaction history prior to the disputed transactions. However, Mr N's testimony is that he took his credit card out on a trip to London, but after returning with his card he didn't check his wallet in his bag. And as he usually keeps his cards in a safe draw at home, I think it's likely he would've been more vigilant and it's likely he would've checked on his cards when he got home, instead of just keeping his bag away without replacing them to his usual safe place. I've also considered that Mr N has not been able to give us detailed information about how his card was stolen. He's not told us how he thinks this could've been lost or taken from his bag.

I've also thought about the fact that Mr N suddenly stopped using his credit card on the day he says it had been stolen via the genuine card or via ApplePay. The evidence shows that Mr N had been spending on his credit card on a regular basis, sometimes many times a day, up until the date of the disputed transactions. Mr N says he had been having problems using the Barclays app and was fed up with his card being blocked by Barclaycard, so he started to use his other accounts. But I think had Mr N genuinely not wanted to use his Barclaycard anymore due to these issues, he wouldn't have chosen to take this card (and his Barclays debit card) out to London with him. I think it's more likely than not that he would've then taken other bank cards with which he wasn't having such problems.

We asked Mr N why he decided to take his card out on this rare occasion, as he usually made use of ApplePay which doesn't require his PIN and doesn't have a transaction limit. Mr N said Barclaycard had been restricting access to his account due to fraud concerns and had blocked his card on a few occasions prior to August 2023. However, I'm not satisfied with this explanation. I say this because, while I have seen evidence that Barclaycard had blocked his card in the past, had Mr N's card been blocked at that time he wouldn't have been able to use his ApplePay or his genuine card either. So, this doesn't explain why he took out his card on this occasion. Mr N says he had also had problems with Barclaycard restricting its use on ApplePay – but there is no evidence of this from Mr N or Barclaycard, and I can't see that he ever raised this as an issue with it.

I've also considered Mr N's mobile banking activity leading up to and during the time of the disputed transactions. Even though Mr N says he had been having problems retrieving his PIN via the app, he had been using it regularly, often more than once a day to check his balance or view his PIN. He even used his app on 28 August 2023, the day before the disputed transactions. But, from the 29 August he didn't log into his app at all until he complained about the transactions on 5 October.

Overall, I find it unusual for Mr N to have chosen to take his credit card to London if he had been having real problems with it which then led him to change his usual banking habits to another account. I also find it unusual that Mr N would regularly check his accounts via the Barclays app but had suddenly stopped the date the disputed transactions started. I am not persuaded that Mr N's credit card was stolen, or that someone else had used his card without his consent.

I've also considered the type and frequency of the transactions, which isn't typical of fraud. Usually, fraudsters who have access to someone's card and PIN will make full use of the facility as quick as possible, to extract as much money as they can before the owner realises the card is missing. These transactions are spread over more than a month, and there are only two ATM withdrawals. So, it seems unlikely these transactions were made by a fraudster.

Mr N has raised the point that these transactions should've been flagged as unusual or suspicious. Usually we would expect large payments, perhaps international payments, or

payments significantly out of character to be flagged. The payments in dispute were for a relatively low sums and there was no indication that this could have been fraudulent – like incorrect PIN attempts or large purchases for cryptocurrency. The spending was a combination on ATM transactions and high street retail transactions which would not have seemed suspicious. So, I don't think Barclaycard did anything wrong by not blocking these transactions.

Barclaycard has raised the point that Mr N was in breach of the terms and conditions of the account by writing and storing the PIN with the card. Mr N says he was told by Barclaycard to do this. I have listened to the call in which this is discussed, and I've heard that Barclaycard did suggest that Mr N could keep the PIN written, but the suggestion was that this would be left at home in a safe place. However, as this complaint is in relation to unauthorised transactions on a credit facility, the only relevant consideration is whether I think the transactions were authorised or not.

I know this outcome will come as a disappointment to Mr N, but for all the reasons outlined above I am not persuaded these transactions were unauthorised. So, I won't be asking Barclaycard to refund them.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 17 February 2025.

Sienna Mahboobani  
**Ombudsman**