

The complaint

Miss D complains Barclays Bank UK PLC (“Barclays”) refuses to refund her for transactions on her account she says she didn’t authorise.

What happened

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

In summary, Miss D says she noticed unauthorised transactions from her account to a cryptocurrency trading platform which she didn’t authorise. Miss D disputes 11 transactions totalling £17,536.06 made between 31 December 2023 and 2 January 2024. Miss D said she was scammed a few months prior by a sophisticated group of scammers who tricked her into sending large amounts of money and downloading a remote access app on her phone. She thinks the same people gained access to her Barclays account to make the disputed transactions.

Barclays says all the transactions were made using Miss D’s debit card and address details. The evidence also suggest they were made using her registered device at an IP address seen over 60 times before for genuine account activity. In addition, Barclays says most of the transactions were verified using a one-time passcode (OTP) sent to her phone. So, it thinks Miss D is responsible for these. Barclays commented that as Miss D has willingly paid scammers in the recent past, and they kept asking for more money while she stayed in contact with them, it thinks Miss D continued to send them money. So, it has denied her fraud claim and held her responsible for these payments.

Our investigator considered this complaint and decided not to uphold it. Ultimately, she felt the evidence suggested it was more likely than not Miss D authorised the transactions. She also felt that had Barclays questioned her about the transactions at the time, it’s likely she would’ve made them anyway as she had continued to engage with the scammers even after warnings from the police. So, she felt Barclays had not done anything wrong. Miss D was unhappy with this outcome, 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.

Generally speaking, Barclays is required to refund any unauthorised payments made from Miss D’s account. Those rules are set out in the Payment Service Regulations 2017. Miss D has said she didn’t carry out the transactions in dispute. So, I have to give my view on whether I think she did authorise the transactions or not.

Barclays has provided evidence to show that all the transactions were online card transactions using Miss D’s card details and address. And Miss D has said she still has her card in her possession. It has also shown that it sent out OTPs to verify most of the transactions in dispute, sent to Miss D’s phone and entered correctly to approve the transactions. The OPT evidence I’ve seen shows it clearly states the code should not be

shared with anyone else. Its evidence also shows the IP address of the transactions is a known IP address that Miss D has used for other non-disputed banking activity. Miss D says her phone is locked with biometric and passcode security and no-one else has access to her device. So based on this, it seems more likely than not these transactions were authorised by Miss D.

Miss D maintains that she didn't make these transactions herself and they were done by scammers who had tricked her into sending money previously. She says she didn't receive any OTPs and didn't share them with anyone else. But I have no evidence to support what Miss D has said about not making the transactions herself. She has provided evidence of some of the conversations with the scammers and evidence that she reported them to the police. But from what I've seen she continued to communicate with them after she was warned that she was being scammed by the police and they continued to pursue her for more money.

Miss D's testimony is that she didn't send this money to anyone, she thinks the scammers used a remote access app to access her accounts from her device. I have thought about this, and while we have seen remote access apps being used in the past, I don't think this was the case here and I'll explain why.

Miss D told us that she didn't have an account with this cryptocurrency provider at the time she had the remote access app. In fact, Miss D's evidence is that she was tricked into downloading the app around six months prior to the disputed transactions but there is no evidence that the scammers accessed her Barclays account before this to take any funds. In fact, I've not seen any evidence that the scammers were able to extract any money from her accounts that she didn't send willingly at the time, albeit for misguided reasons. And typically, fraudsters will attempt to withdraw as much money as possible as quickly as possible, once gaining access to someone's account.

Miss D says she opened the account with the cryptocurrency platform and linked her Barclays debit card to the account. She says she opened this as a means to send money to other people. She also told us that she was trying to send money to a friend via cryptocurrency to pay "*authorities*" to prosecute the scammer. But I believe this all to have been part of the scam. As part of the initial romance scam, I think she willingly sent money to someone she believed she was in a relationship with. Following this I think she was tricked into sending more money to scammers posing as authority figures to build a case against the original scammer and to recover the money she sent.

I've considered whether I think these payments should've triggered Barclays to get in contact with Miss D to ensure they were genuine. Barclays says she verified over SMS that the transactions were genuine, and she had made transactions to cryptocurrency providers previously, so it didn't intervene further. However, I would've expected the larger transactions of over £5,000 to a cryptocurrency provider to have triggered a fraud response. But even if Barclays had contacted Miss D I don't think it would've made a difference in this case, because Miss D had been given warnings about the scammers and paying money to them by the police, however she continued to engage. I think at this point Miss D was so caught up in this elaborate scam that she would have continued to send money willing to them as instructed.

I am aware this outcome will come as a disappointment to Miss D but based on the evidence I've seen I think it's more likely the transactions were authorised by Miss D and were sent to her cryptocurrency account on the request of the scammers. I also think had Barclays intervened, it wouldn't have made a difference, so I am not upholding this complaint.

My final decision

For the reasons outlined above I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 8 January 2025.

Sienna Mahboobani
Ombudsman