

The complaint

Mr and Mrs F say Barclays Bank UK PLC (“Barclays”) allowed unauthorised transactions to take place on their joint account.

What happened

Mr and Mrs F say their debit cards were used to make fraudulent transactions from their joint account. And even when the cards were replaced, the fraudulent transactions continued. They say this caused them distress and inconvenience in having to monitor their accounts closely, having to chase Barclays to rectify the situation and make alternative arrangements when waiting for new cards to be delivered. Mr and Mrs F believe this situation must have occurred because of a data breach and they say Barclays should take responsibility for allowing this to happen.

Barclays says it has refunded all the transactions in dispute, which is what is required of it by law in the circumstances. It says there was no known data breach on its end, and it has effective fraud monitoring in place to help keep customers accounts safe. However, on occasions fraud can still occur, but Barclays believes it has now put things right and it offered Mr and Mrs F £25 in compensation for any distress caused.

Our investigator considered the complaint and found that all the disputed transactions had fully been refunded, so the only matter to consider was the compensation due, if any. The investigator considered everything Mr and Mrs F said about the circumstances and the effects this had on them and concluded £150 compensation was a fair award. Mr and Mrs F were not happy 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 Mr and Mrs F’s account. Those rules are set out in the Payment Service Regulations 2017. Mr and Mrs F said they didn’t carry out the transactions in dispute, so Barclays refunded them. I have considered the evidence supplied, and I am satisfied that Barclays has refunded all the transactions Mr and Mrs F say they didn’t make. So, the only issue to consider here is the compensation due to distress and inconvenience caused.

At this point I would like to set out that our Service was set up to informally resolve disputes when things go wrong. And we do this by putting the consumer back in the position they would’ve been in had things happened as they should have. We were not set up to punish financial providers for any wrong doings and we cannot instruct them to change their products or processes. We can consider awards for compensation, and we do so in line with our guidelines as set out in the “Compensation for distress and inconvenience” page on our website.

Mr and Mrs F say they have suffered the inconvenience of having to monitor their account closely for further fraudulent transactions and they had to visit an Apple store to have their devices inspected for malware. They also say they've had to visit a Barclays branch, make regular calls to Barclays and post back the dispute form for each transaction. But also, Mr and Mrs F have explained that it was distressing to feel their complaint was not taken seriously, and that further fraud could happen at any time due to Barclays' inability to keep their money safe.

I've thought about everything Mr and Mrs F have said and considered this in line with our approach to awarding compensation. Having done so, I think their complaint falls under the second tier of compensation, this outlined as the following:

"an award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation."

Mr and Mrs F say they had weeks of dealing with this issue and had to call and write to Barclays several times. They also said that one of their complaint calls with Barclays led to *"more frustration and annoyance not experienced in normal day to day life."* I think what has happened here does amount to repeated small errors by Barclays. Our approach to compensation also provides an example here in which the consumer was repeatedly told the issue was resolved, but it hadn't been. She was awarded £100 compensation. I understand that similarly Mr and Mrs F were repeatedly told their issue was resolved when it hadn't yet been. So overall, I think £150 is a fair amount of compensation and is in line with our Service's approach.

I understand Mr and Mrs F are unhappy that their complaint was dealt with together, as the fraud occurred on two cards. And they also think they should be awarded two sets of compensation. However, as the account in question is a joint account it needs to be dealt with as one complaint, but I wish to assure Mr and Mrs F that I have considered the distress and inconvenience suffered by the both of them.

Putting things right

Barclays Bank UK PLC should pay Mr and Mrs F £150 in compensation for the distress and inconvenience caused.

My final decision

I am upholding this complaint. Barclays Bank UK PLC should put things right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F and Mrs F to accept or reject my decision before 6 June 2025.

Sienna Mahboobani
Ombudsman