

The complaint

Miss H complained because Barclays Bank UK PLC refused to refund her for transactions which she said she didn't authorise.

What happened

On 4 February 2025, Miss H contacted Barclays. She disputed multiple transactions to a gambling firm, which had taken place on 1, 2 and 3 February. The total in dispute was £960. Barclays told Miss H it would decide within a timescale of 10 working days, in other words by 18 February.

Barclays asked Miss H for more information, which she provided on 7 February. She said no-one else had access to her phone. She said her children knew her phone password, but not the password for her Barclays Mobile Banking (BMB). She said she didn't know how the transactions could have been made on her genuine phone.

Miss H contacted Barclays again when she hadn't heard by 18 February.

On 20 February, Barclays held Miss H liable for the disputed transactions. In its letter, it said that the transactions appeared to have been properly authorised. It said there had been no attempt by a third party to compromise or otherwise impersonate Miss H.

Miss H complained. In Barclays' final response letter on 4 March, it said it hadn't made any error about the decision to hold Miss H liable for the transactions – because her genuine device had been used, with her passcode used to log in. There had been no compromise to the passcode.

But Barclays did agree that it had told Miss H she'd hear by 18 February and it had been 20 February. She'd also provided the requested extra information on 7 February. So Barclays paid her £75 compensation as an apology for the frustration and inconvenience.

When Barclays spoke to Miss H about her complaint, it also asked Miss H about her wellbeing, which had been discussed with a previous Barclays advisor too. It offered further support but Miss H refused to have any vulnerability markers added to her account. Barclays added that Miss H could access this at any time through her BMB app. It also gave her £50 as a gesture of goodwill, specifically so she could buy food for her children.

Miss H wasn't satisfied and contacted this service.

She said the disputed transactions hadn't been done through her app on her phone. She said Barclays hadn't flagged the transactions as suspicious or stopped them. Miss H said she was a sole parent to four children, with a low income and she'd had to borrow and go to food banks which had caused her mental strain. She also said that Barclays had taken longer than they'd said to reach a decision.

Our investigator didn't uphold Miss H's complaint. He said that the electronic evidence showed that Miss H's passcode had been used to access and authorise every payment. This

could only have been done by Miss H or someone with her authority. Although she'd said her children knew her phone passcode, she'd said they didn't know the banking details. The investigator also pointed out that Miss H's device, IP address (a unique computer identification) and phone provider had also been used in the transactions.

Miss H didn't agree.

She said she still wanted a refund, because she hadn't authorised the payments. She didn't know how they could have been made on her phone. She said she was also concerned that so many transactions had happened in a short period of time, and that should have triggered Barclays' fraud detection systems. She said Barclays should have intervened, or at least flagged them for verification.

The investigator replied that the device used was Miss H's registered phone, and the transactions had taken place at Miss H's normal IP address, using her passcodes. There had also been genuine, undisputed payments during that weekend, indicating Miss H was using it. And Miss H herself had said she was the only person who could access the device.

In relation to Miss H's claim that Barclays' security should have flagged and stopped the payments, the investigator pointed out that a couple of years earlier, Miss H had disputed about £390 of gambling payments. There had also been numerous other gambling transactions in the intervening years. There had also been payments into the account to cover the gambling transactions. The investigator explained that a bank wouldn't always interfere with the day-to-day operation of a customer's account. And Barclays had offered to add a vulnerability marker on two occasions – but Miss H had refused.

Miss H said she hadn't made the transactions and asked for an ombudsman's 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.

What the Regulations say

There are regulations which govern disputed transactions. The relevant regulations here are the Payment Services Regulations 2017. In general terms, the bank is liable if the customer didn't authorise the payments, and the customer is liable if they did authorise them. So what decides the outcome here is whether it's more likely than not that Miss H, or a third party fraudster unknown to her, carried out the disputed transactions.

The regulations also say that account holders can still be liable for unauthorised payments under certain circumstances – for example if they've failed to keep their details secure to such an extent that it can be termed "*gross negligence*."

Who is most likely to have authorised the disputed transactions?

I've looked at the technical computer evidence about the disputed transactions. This shows that:

- They were made using the device which Miss H had registered with Barclays, and which she'd used before for undisputed payments;
- They were made from an IP address which Miss H had used frequently;
- They were made using Miss H's correct passcode. Barclays' BMB passcode is 5 digits long. There are 100,000 possible combinations of a five digit number, so no-one else could have guessed this number;

- There were four undisputed payments in the middle of the disputed gambling transactions. As Miss H said no-one else had access to her phone or security information, I can't see how Miss H could have made these undisputed payments, but not the disputed gambling payments.

Miss H's evidence is that no-one else had access to her phone, or to her BMB app.

Taking all these factors into account, I can't see that anyone other than Miss H could have made the disputed payments. So she is liable for them.

Miss H's argument that Barclays should have blocked the transactions

I've considered Miss H's argument that Barclays should have blocked the transactions. But looking back over Miss H's statements, going back several years, I can see that there were multiple gambling transactions. Miss H had disputed some of these, but had been found liable in similar circumstances to this complaint. There were also other gambling transactions which Miss H didn't dispute. So gambling transactions were part of the pattern of Miss H's spending. There was nothing sufficiently unusual about the February 2025 transactions which would have made Barclays' systems flag the payments as unusual for the pattern of the way she used her account.

Customer service

Barclays told Miss H that she would have a reply about her report of the disputed transactions by 18 February, ie within 10 working days of when she first raised the dispute. It actually took two days more, to 20 February. I consider that Barclays' compensation of £75 was more than generous for this very short delay.

I also note that Barclays twice offered to put a vulnerability marker on her account, but on both occasions Miss H refused. And it gave her £50 as a gesture of goodwill, which it said was specifically for her to spend on food for her children, as she'd said she was finding this difficult. I consider that this was generous and very fair by Barclays.

So I don't consider Barclays did anything wrong in relation to customer service.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 28 August 2025.

Belinda Knight
Ombudsman