

The complaint

F complains Barclays Bank UK PLC (“Barclays”) refuses to refund it for transactions on its account it says it didn’t authorise.

This complaint has been brought by one of the directors of F, for ease I will call them “M”

What happened

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

In short, M complained about several transactions made on F’s account which she says were unauthorised. The transactions were made between the 5 and 8 September 2024, totalling £4,113.68. The transactions were all made online to the same merchant. M says these were all fraudulent and Barclays should refund these.

Barclays says it considered the transactions in dispute and the evidence available and concluded that these transactions were authorised, so they have held F responsible and haven’t refunded any of the transactions in dispute here.

Our investigator also considered this complaint and felt the transactions were authorised by M giving apparent authority to a third party to carry out the transactions. F was 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.

Firstly, I would like to say that I am sorry to hear of the physical abuse M suffered in the past. I can understand that this must have been a very distressing time for her. However, having considered all the evidence available, I think the outcome reached by the investigator is fair, and I’ll explain why.

Generally speaking, Barclays is required to refund any unauthorised payments made from F’s account. Those rules are set out in the Payment Service Regulations 2017. However, there are exceptions to these rules – for example, where the account holder has been grossly negligent with their account, or where they haven’t given someone else the authority to use their account by sharing their details with them.

Barclays has provided evidence to show that the transactions in dispute were made using M’s debit card for her business account. It has shown that these were made online, and were processed through an additional verification step which required confirmation in M’s online banking app. This required confirmation in the app that the transaction was genuine, and it also required M’s online banking passcode to be entered before the payment was sent. The evidence provided shows that this was carried out on the only device which had been registered on the account, and which had been used for many genuine transactions

prior to these. So, I am satisfied that the transactions were all correctly authenticated. But M is adamant that she didn't consent to these transactions being made and she didn't know there were being made until after.

I have considered carefully everything M has said about the circumstances of the transactions. And I have listened to the calls that took place with Barclays straight after the transactions took place. As memories fade over time, the calls from the that time are likely to paint a more reliable account of what happened. During these calls on 8 and 9 September 2024 M explains that she often consented to make transactions on her account for her ex-partner and allowed him to use her phone to make transactions with her knowledge and consent. This means she must have provided her ex-partner with her phone passcode and her online banking information. And in doing so, she had given her ex-partner the apparent authority to make transactions on the account.

I understand that M is upset because she didn't know he was making these transactions, and she didn't say he could do so. However, under the payment service regulations which apply, if someone is given apparent authority to use an account, this authority is in place until it is withdrawn – even if M didn't know he was still using the account. Had M wished to withdraw his consent to use it, she would've needed to take some action to restrict it, such as changing her account and phone passcodes. I haven't seen that this was done, so I can't say the authority given was later taken away.

I know this outcome will come as a disappointment to M, it is a lot of money to have lost, and I have sympathy for her situation. However, under the rules I have to apply, I don't think the transactions in dispute were unauthorised.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask F to accept or reject my decision before 2 September 2025.

Sienna Mahboobani
Ombudsman