

The complaint

Ms S complains that Barclays Bank UK PLC has declined to refund disputed transactions that were made from her account.

What happened

On 19 March 2025, Ms S says she visited an Automated Teller Machine (ATM) as she wanted to withdraw some money, but whilst the transaction was in process, she says two men distracted her. Ms S then realised her card had been retained. The men said they were there to work on the ATM as it had been retaining cards and asked for her number, which she gave them, and they told her Barclays would contact her about her retained debit card. The ATM owner was a different bank to Barclays.

Later that day, Ms S says she received a call from someone claiming to be from Barclays. The caller asked Ms S to confirm her security information, as well as her address for a new card to be sent. Ms S says she confirmed this information. The caller then told her she would receive a text message that she needed to confirm 'yes' to. Which she did.

Ms S says she later discovered transactions totalling £5,943 had been made from her account that she hadn't authorised. Ms S contacted Barclays to report fraud and asked it to refund the money. But the bank didn't believe it was responsible for her loss.

Ms S raised a complaint, and in response, Barclays said:

- It didn't agree with Ms S' complaint as the decision to hold her liable for the disputed transactions was correct.
- Ms S approved a transaction for £3,493 following a message that was sent to her phone.
- The other transactions used her genuine card and the correct Personal Identification Number (PIN). Although Ms S explained there was 'shoulder surfing' and her card was trapped, the decision to hold her liable was based on available data.
- Ms S may wish to speak with the Police for further investigation.

Ms S then referred her complaint to this service where it was considered by one of our investigators. Based on the available evidence, he wasn't persuaded that there was a point of compromise for Ms S' card and PIN. Instead, he felt it was most likely Ms S had authorised the disputed transactions, and therefore he didn't recommend that Barclays refund the £5,943 to her.

Ms S didn't accept our investigators findings and asked for an ombudsman to decide her complaint. And so it's been passed to me.

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.

Having done so, I realise this will come as a huge disappointment to Ms S, but I've reached the same conclusions as our investigator, for broadly the same reasons.

The Payment Services Regulations 2017 (PSRs) say, in summary, that a payment service provider should generally refund a transaction that comes out of one of their consumer's accounts that they didn't authorise. There are limited exceptions to this, such as when the consumer has breached their obligations to keep their security credentials secure either intentionally, or by being grossly negligent with them.

Here, Ms S says her card was retained in an ATM where a fraudster had observed her using her PIN. She was then contacted by phone, tricked into disclosing personal information and confirming a transaction as genuine, and only realised she'd been the victim of fraud after most of her available money had been spent. I've carefully considered this possibility, along with all the available evidence. Whilst I'll never know for sure what happened, I must consider what I think is most likely. And here, I'm not persuaded that the events Ms S has described are an accurate reflection of what led to the disputed transactions being made. I say this for several reasons.

The first, is because all of this happens after over £6,000 was credited into her account across several transactions the previous day. Ms S has explained this was given to her by family for upcoming festivities. I accept this is most likely what the money was intended for, but it strikes me as highly coincidental that Ms S had an unusually large balance for her account and was the victim of fraud the following day. Of course this isn't impossible, but it's one of a number of anomalies that I've had to think about when reaching this decision.

I've also listened to a number of calls Ms S had with Barclays about her fraud claim. She's clear that she put her card into a non-Barclays ATM and entered her PIN as she wanted to withdraw £50. After engaging with the men she says distracted her, she believed her card was retained. I see from Barclays' records that Ms S' card entered an ATM, but this was for a balance enquiry, rather than for a withdrawal. I asked Ms S why she felt the need to check her balance at the ATM, considering she'd already checked her balance via Barclays' mobile banking on four separate occasions earlier that day, but she didn't reply. I consider Ms S would've been fully aware of her balance, so it strikes me as unusual why she'd need to do the same at an ATM where she says the card was then retained.

As well as this, one of the disputed transactions was a £2,000 withdrawal at a Barclays 'Assisted Service Counter' machine. These machines allow a customer to withdraw larger amounts than an ATM, but require additional security to be provided before the transaction is permitted. Barclays says the additional security asks for either its customer's day of the month or year of their birth. On one of the calls Ms S had with Barclays, she's clear that when she received a phone call from the fraudster and disclosed personal information, including her date of birth, she was tricked into confirming recent activity on her card was genuine. But, in view of the timings of the disputed transactions, this call could only have happened *after* the £2,000 withdrawal had already been made. So, before Ms S says she disclosed her date of birth, the fraudster, (presumably the men who she says she interacted with earlier that day) knew enough information about Ms S' date of birth for the £2,000 withdrawal to be permitted. Ms S doesn't say she told the men her date of birth when she thought they were there to work on the ATM, so I can't see how an unauthorised individual would've had knowledge of this for the £2,000 to be made.

When I think about the overall circumstances involved here, for the reasons I've highlighted above, I don't find Ms S' version of events plausible, and I'm not satisfied her fraud claim represents a genuine loss. Instead, I'm persuaded that Ms S either authorised the disputed transactions herself, or authorised someone else to make them on her behalf. It follows that I find it reasonable for Barclays to hold her responsible for them.

I realise this decision will be disappointing for Ms S, and I'm sorry to hear of the challenges she's currently facing. I do hope she's getting the support she needs and I'd like to thank her for sharing her circumstances with us. But I don't require Barclays to do anything differently here.

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 Ms S to accept or reject my decision before 25 February 2026.

Lorna Wall
Ombudsman