

The complaint

Miss B complains that Barclays Bank UK PLC has declined to refund a disputed transaction that was made from her account.

What happened

On 19 September 2025, a £718.00 transaction to a well-known retailer debited Miss B's account. Miss B says she didn't make this transaction, her Barclays card had always remained in her possession, she'd never given her card or Personal Identification Number (PIN) to anyone, and she was physically in a different location to the store when the transaction was processed.

When Miss B discovered the disputed transaction, she contacted Barclays' fraud department and asked it to refund the £718.00. But the bank didn't believe it was responsible for her loss.

Miss B raised a complaint, and in response, Barclays said:

- The disputed transaction was made using Miss B's physical card and its corresponding PIN.
- Whilst cards can be cloned and used fraudulently, the chip on the card cannot be cloned.
- There was no evidence of PIN compromise, and there were no attempts to use the card after it was cancelled.
- It appreciates that Miss B reported the disputed transaction to the relevant authorities, but this isn't enough for it to issue a refund.
- It was sorry to learn of the difficult circumstances Miss B was facing and provided details of services that she may wish to speak with for support.

Miss B referred her complaint to this service where it was considered by one of our investigators. She was satisfied the disputed transaction was made using Miss B's genuine card and PIN, and in view of the evidence available, she felt it was more likely than not authorised by Miss B herself.

Miss B disagreed with our investigator. She reiterated that she'd never given her card and PIN to anyone, had never been to the location of the retailer in question, was physically elsewhere at the time the transaction was made and did not authorise it in any way. She also said that the transaction was wholly inconsistent with her established banking behaviour.

As no agreement could be reached, the complaint has been passed to me to decide.

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 Miss B, but I've reached

the same conclusions as our investigator, for broadly the same reasons.

The relevant regulations here are the Payment Services Regulations 2017 (PSRs), and the Consumer Credit Act 1974. 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, the issue for me to determine is whether Miss B carried out the disputed transaction herself or authorised someone else to make it on her behalf.

First of all, it's important to explain that I've seen Barclays' electronic records to show how the disputed transaction was processed. From this evidence, I'm satisfied it was carried out using Miss B's genuine card and PIN. I say this because I'm satisfied that the chip on Miss B's card was read when the transaction was processed, and the corresponding PIN was entered. Miss B has said her card has always been in her possession, and she's never given it or her PIN to anyone else. I see Miss B has suggested that her card may have been 'cloned.' But it's not generally thought possible to copy the chip on the card, and our service hasn't come across any cases where we felt this was a likely explanation of what happened. I haven't seen any persuasive evidence this is what happened in this case. So, I'm satisfied that this transaction was made using Miss B's genuine card and PIN.

I fully appreciate Miss B says her card had never left her possession, but in view of the above, if she was physically in a different location when the transaction was made, then this cannot be true.

However, I acknowledge Miss B says she was in possession of her card when she discovered the disputed transaction and contacted Barclays on 21 September 2025. Based on what Miss B has told us, I can't see how an unauthorised third party would've been in a position to take the card from Miss B's possession, use it with the correct PIN, and then return it back to Miss B's possession all without her knowledge.

I'm always wary that just because there's no obvious point of compromise, that would mean the cardholder must have made the payment. However, based on the evidence here, and in view of everything Miss B has said to both Barclays and our service, I find it fair for Barclays to have treated this disputed transaction as authorised, as there is no explanation how anyone else other than Miss B could've made it.

I appreciate Miss B has commented on how the disputed transaction was inconsistent with her normal account activity. So I've thought about whether Barclays should've done anything differently here, such as its fraud prevention systems highlighting the transaction as suspicious and intervening in some way. I've looked at Miss B's bank statements leading up to the disputed transaction, and I accept her genuine transactions were much lower in value than the £718.00. But, in view of the genuine card being used with the correct PIN, I don't find that the disputed transaction was so significantly different or unusual such that I think Barclays ought to have any cause for concern which would've prompted it to intervene. I can see why Barclays processed the transaction without further question, believing it was being made by Miss B.

I was sorry to hear about all the difficulties Miss B has been dealing with recently. This can't have been an easy time for her at all, and I realise this disputed transaction has only added to those difficulties. But for the reasons explained above, I can't fairly require Barclays to refund the £718.00 to her.

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 B to accept or reject my decision before 11 March 2026.

Lorna Wall
Ombudsman