

The complaint

Ms B is unhappy Barclays Bank UK PLC ('Barclays'), won't reimburse her for the money she lost after she paid an overseas merchant for goods that she never received.

What happened

The details and facts of this case are well-known to both parties, so I don't need to repeat them at length here.

In summary, on 26 September 2025, Ms B used her Barclays debit card to facilitate an international transfer (through an Electronic Money Institution – which I'll call 'W') for £820. The payment was for the purchase of some religious crosses from an overseas merchant. However, the merchant advised they had got the moulding wrong and asked for more money. Ms B didn't pay any further money believing it was a scam. Ultimately Ms B never received any goods that she had paid for, nor did she receive a refund from the overseas merchant.

Ms B contacted Barclays (and W also), to report the matter and to see if her funds could be recovered.

Barclays advised Ms B that it was unable to obtain a refund through a 'chargeback' under Visa's Rules and Regulations – because the retailer/merchant was W. And W had carried out the services by transferring the funds for Ms B to the recipient.

Unhappy that she wasn't reimbursed for the funds she had lost, Ms B referred the matter to our service.

As a formal complaint hadn't been raised, our service notified Barclays who proceeded to issue its final response to the complaint. In short, Barclays didn't uphold the complaint and considered it had followed the correct process. It also considered that the transaction didn't trigger on its fraud detection system for further checks, so didn't consider it could have prevented Ms B's loss or that it was liable in some way.

Our Investigator reviewed everything and didn't recommend the complaint be upheld. They didn't think Barclays ought to have done more to identify the payment as potentially fraudulent in the circumstances or have a cause for concern that Ms B was at risk of financial harm or was falling victim to a scam. So, they didn't think Barclays needed to step in and intervene or carry out additional checks on the payment.

The Investigator also considered that a chargeback claim wouldn't have been successful – given the chargeback would be against the merchant W and W had carried out the services requested of it. So, they didn't consider Barclays had acted unfairly in not proceeding with the chargeback and overall, the Investigator didn't think there were any failings that meant Barclays were liable for Ms B's loss.

Ms B disagreed with the Investigator's opinion. Broadly summarised, Ms B considered that the payment was unusual, and Barclays could have done more to prevent the loss. Ms B also considered the chargeback should have been progressed and assessed by Visa rather than discontinued by Barclays internally.

As the matter hasn't been resolved, it's 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.

I'm very aware that I've summarised this complaint and the responses briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here – which is to determine whether Barclays should have done more to prevent or recover Ms B's losses. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Having done so, I'm not upholding Ms B's complaint. I know this outcome will disappoint Ms B. She paid money in good faith and didn't receive anything in return. But in weighing everything up, I don't think I can fairly say Barclays should reimburse her nor do I find it is liable in some way. I'll explain why.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that a bank (in this case, Barclays) is expected to process payments that a customer authorises it to make, in accordance with the terms and conditions.

It is the case that Ms B authorised the card payment in dispute and that's accepted by all parties. And under the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Ms B is responsible for the payment. That remains the case even though Ms B believes she was duped into authorising the payment.

There are times when, dependent on the payment, I might expect a firm to question a transaction or payment, even though it may have been properly authorised. Broadly speaking, firms (like Barclays) should fairly and reasonably have been on the lookout for the possibility of fraud in order to protect its customers from fraud.

What does this mean for Ms B?

In this case, I need to decide whether Barclays acted fairly and reasonably in its dealings with Ms B when she made the payment, or whether it should have done more than it did.

I've thought about this carefully. Here, Ms B had authorised a debit card payment of £820 to a legitimate money transfer provider, W. I can't fairly say that there was anything unusual or remarkable about the payment, or the amount, that reasonably ought to have alerted Barclays to the possibility Ms B was potentially at risk of financial harm at the time. And not to such an extent where I would expect Barclays to have concerns whereby it ought, fairly and reasonably, to have carried out additional checks on the payment.

In this case, I don't think the amount in and of itself was so remarkable. Nor were there multiple payments made in quick succession – which can often be an indicator of financial harm. And I'm mindful the payment wasn't going to a retailer / merchant whereby the risk could be deemed as greater – such as a cryptocurrency exchange provider (given the recent rise in scams related to cryptocurrency). Here the transaction was going to a legitimate retailer / money transfer provider.

In short, I don't consider Barclays acted unfairly by not flagging Ms B's payment for additional checks or further direct questioning. So, I don't consider I can fairly say Barclays should have reasonably been on notice that Ms B was at risk of financial harm and stepped in which may have prevented Ms B's loss.

Chargeback claim – Visa

Unfortunately, while Visa's chargeback scheme offers some additional protection to card payments, Ms B wouldn't have had a successful claim given the nature of what happened here and how Ms B made payment.

Here, Ms B used her Barclays debit card to facilitate an international payment through W, and W carried out its service and transferred the funds. Importantly, the chargeback that Barclays could raise would be against W – as the merchant. That's because the card payment was to W. And any chargeback raised would have been successfully defended by W, given it had fulfilled its requirements/services by sending the money on. Therefore, the chargeback wouldn't have had any reasonable prospect of success and Barclays didn't act unfairly in not pursuing the chargeback in the circumstances.

Finally, I note that Ms B considered the payment was showing as pending so there was a possibility it could have been stopped. I understand Ms B's point here, and her frustration. However, the payment had been authorised, and it couldn't be stopped. Ms B had already authorised the payment to W – a genuine merchant, and W would have been providing real time services by transferring the funds onto the recipient account. In essence, as soon as Ms B authorised the payment, the service the merchant was carrying out, would have been provided straight away – despite the reporting lag and the payment showing as pending. The payment and fulfilment of services had already been completed.

Summary

I'm very sorry to hear of what's happened to Ms B. She sent money in good faith and did not receive anything in return for it. But overall, I can't fairly say there were any failings by Barclays or that it is liable for Ms B's loss in some way.

It followed Ms B's instructions to make the payment, and I haven't seen any reason why it shouldn't have done so. And unfortunately, a chargeback claim wouldn't have been successful in the circumstances. So, there wasn't anything further Barclays could do to help Ms B in this situation.

My final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 5 May 2026.

Matthew Horner
Ombudsman