

The complaint

Mr A complained because Barclays Bank UK PLC refused to refund him for transactions which he said he didn't make.

What happened

On 5 June 2023, there were two online banking payments from Mr A's Barclays account to a new payee. One was for £250 and the second, to the same payee, was for £750.

On 6 June, Mr A rang Barclays and said he hadn't made either of the two payments. Barclays asked him a number of questions, including whether he'd let anyone else know his online login or security details, whether anyone else had access to Mr A's device on which the payments had been made, and whether Mr A had clicked on any links or downloaded any software. Mr A said he hadn't done any of these things. He still had his card. Barclays cancelled and reissued Mr A's card and his online banking passcode, and investigated.

Barclays refused to refund Mr A. Mr A complained, but Barclays didn't uphold his complaint.

Mr A wasn't satisfied and contacted this service.

Our investigator didn't uphold Mr A's complaint. He said that he couldn't see how Mr A's security details had been compromised. Mr A still had his card and said he hadn't passed the details to anyone else. The investigator had asked Mr A if he knew how any third party could have accessed the details, but Mr A didn't.

The investigator explained that the technical evidence from Barclays' mobile banking payments audit showed that the disputed transactions had been made from Mr A's registered mobile, and that the IP address (a unique computer identifier) was one Mr A had used before. Mr A's mobile banking app had been logged in that day using Touch ID, in other words Mr A's biometrics. So the investigator didn't uphold Mr A's complaint.

Mr A didn't agree. He said he'd been a victim of crime. He said he had no idea how the person carrying out the transactions had obtained his passcode, fingerprint / facial ID to get into his banking. He said he hadn't put his password on any digital device, or written it down anywhere. Nor had he clicked on any links or websites, or shared any of his banking details. Mr A said he believed it could be a scam, and he didn't know who the person was and hadn't communicated with them before.

Mr A 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.

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 I've considered whether it's more likely than not that Mr A, or someone else, authorised the payments.

The technical computer records provide a lot of information, which I've studied closely. This includes:

- The device used, and linked phone number, were registered to Mr A's account profile. They were used for payments which Mr A didn't dispute, both before and after the disputed payments;
- The login for the disputed transactions was done through biometrics (fingerprint or face ID). This could only be done by someone with a registered fingerprint or face. Mr A said he still had his device and was the only person with access;
- I've looked at the IP addresses used to make the two payments. Mr A had made multiple genuine logins and payments from the addresses used for the disputed transactions;
- There was another payment, which Mr A didn't dispute, between the two payments. If someone else had Mr A's device and details, this seems unlikely;
- Mr A still had his card, and said no-one else could have accessed it. But the person setting up this new payee would have had to have lots of information from that card. That would include the 16 digit card number, the expiry date, and the security code on the back.

This technical evidence means that I think it's most likely that Mr A carried out the disputed transactions himself. His evidence was that no-one else could have accessed his details. I can't see how any third party could have obtained these and carried out the transactions.

Also, if any third party fraudster had carried out the transactions, it's likely that the timings would have been different. The first, £250, payment took place just after 3pm. The payment which Mr A didn't dispute took place about an hour later. It was then about another four hours before the £750 disputed transaction. This isn't the pattern for a typical fraudster. They normally maximise their gain quickly, with repeated transactions until there's no money left, or the payments are blocked. But here, there was a significant time gap between the disputed transactions. And there was a significant amount of money left in Mr A's account after both disputed transactions. So the circumstances aren't typical of a fraudster.

For all these reasons, I find that it's more likely than not that Mr A authorised the disputed transactions himself. So Barclays doesn't have to refund him.

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 Mr A to accept or reject my decision before 25 January 2024.

Belinda Knight
Ombudsman