

The complaint

Mr P complains that Barclays Bank UK PLC (trading as Barclaycard) refused to refund him for transactions he says he didn't make.

What happened

On 10 April 2022 Barclays contacted Mr P to say that it had identified some potentially suspicious payments on his credit card account. Mr P subsequently identified a series of payments made between 5 April and 10 April 2022 which he says he did not make.

Barclays looked into what had happened, but said that the payments had been authorised using a digital wallet on a device registered by Mr P, and so believed that Mr P must have authorised them himself. Barclays therefore declined to refund the payments to Mr H, and subsequently also decided to close his credit card account.

Mr P didn't agree and contacted this service. He maintained that he had not made the disputed payments – which were made many miles away from where Mr P lives and in a city he had not visited for several years. Mr P also explained that nobody had access to his card, and that while he had recently added his card to a digital wallet on a work phone he'd been given, he had never used that phone and it had not left his home.

Our investigator didn't uphold Mr P's complaint. Overall, they felt it was more likely than not that Mr P had authorised the transactions himself or otherwise allowed them to be made.

Mr P wasn't satisfied, so as no agreement could be reached his complaint has been passed to me for review.

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. These say that the payment service provider (here, Barclays) must show the transaction was authenticated. And here, I've seen the computer evidence that Mr P's genuine card details were used via a digital wallet that he had set up on his work phone. So the disputed payments were authenticated.

The regulations also say that it's necessary to look at whether the card holder authorised the payments. 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.

The payments were made using a digital wallet on Mr P's registered device. Mr P has said that nobody had access to the phone that was used, and either biometric login data or a PIN code would need to be used to access such a digital wallet. So it is difficult to see how an unknown third party could have made the payments without Mr P's knowledge.

Mr P has noted that Barclays had initially suggested his phone may have been cloned, and he questions why they said that and what evidence that assertion was based on. But I've seen no evidence that Mr P's phone was cloned, or that it was even possible it could have been cloned given that it was apparently in Mr P's possession from the point it was delivered, and was sealed when he received it. And so I think it is most likely that Barclays was simply making suggestions as to what *could* have happened, not saying there was any evidence that this *did* happen.

And all the evidence I've seen does point to it being more likely than not that Mr P was aware of these payments. The payments were made using a phone that he has said only he had access to, and there is evidence to show that he was logging into his online banking during the period of the disputed payments. These logins were from Mr P's personal phone, and from an IP address that he had frequently used both before and after the disputed payments. Mr P has said that even if he was logging in, he wouldn't have necessarily checked his statements in detail, but given the amount of disputed spending we are talking about here – and that the other, undisputed, transactions on Mr P's account were for only small amounts – I think he would have noticed the unexpected change in his balance.

Taking all these factors into account, I think it's more likely than not that Mr P authorised the transactions himself or otherwise allowed them to be made. It follows that I consider Barclays has acted reasonably in deciding to hold him liable for those transactions. And, in line with the terms of his account, was also reasonable to decide to close his account.

I know this is not what Mr P was hoping to hear, but I am satisfied that Barclays has treated him fairly and reasonably here, I hope he will understand the reasons for my decision.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 9 November 2023.

Sophie Mitchell
Ombudsman