

The complaint

Miss T complained because Barclays Bank UK PLC refused to refund her for 116 transactions which she said she didn't authorise.

What happened

Between 9 July and 24 August 2022, 116 payments debited Miss T's Barclays account. They were all to the same technology company, and came to a total of £1,970.34. The payments had been set up as recurring payments. The person setting this up would have had to have Miss T's physical card, and would have input the details from that, as well as entering her address.

On 30 August, Miss T contacted Barclays to say she hadn't authorised the transactions and she wanted a refund. Miss T said she still had her card, and didn't know who had committed the fraud. She told Barclays she hadn't previously used the technology company which had received the payments.

Barclays didn't uphold Miss T's complaint. In its final response letter, it said there had been no bank error. It said it had followed the correct process, and the correct decision had been made to hold her liable. It had deemed the transactions genuine and couldn't identify any fraudulent activity. It suggested that she could contact the technology company through her app, and it might be able to help and recover the funds, provided the transactions were a genuine mistake. But it said Miss T should be aware there was no guarantee the technology company could help.

Miss T wasn't satisfied, and contacted this service.

Our investigator didn't uphold Miss T's complaint. He said he'd seen from the bank's records that the genuine card, security code, and correct address had been used to make the transactions. But he noted that Miss T had complained to Barclays in April 2022 about similar transactions. On those occasions, Barclays had refunded Miss T for £90.70 and £91.41, and had cancelled and replaced her debit card. The investigator listened to phone call recordings between Miss T and Barclays, and he said this confirmed that Miss T did use the technology company's app store, and it was more likely than not that she'd given her details to continue to use the facility.

The investigator concluded that there was enough evidence to show that Miss T had given her details to the technology company's app store, and that it was more likely than not that she'd authorised the transactions.

Miss T didn't accept this. She told the investigator that her young son had made the transactions on his tablet, but she wasn't clear about timescales. The investigator replied that there was a call recording where Miss T had said she couldn't use her ID on a tablet. Miss T said that Barclays was supposed to be keeping her money safe and should reconsider. She said it was unfair because she had financial difficulties and children to feed, so she wanted refunds from the bank or from the technology company. Our investigator didn't change his view and Miss T 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.

In these circumstances 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 looked at the evidence to see whether it's more likely than not that Miss T authorised the payments.

Miss T told Barclays that she still had her Barclays debit card. The computer evidence shows that the transactions were set up as a recurring payment authority, and this was set up using the genuine card details, and the security number on the back of the card, and Miss T's correct address. So whoever set up the payments had access to Miss T's genuine card and personal details.

I note that Miss T told Barclays she'd never used the technology company before, and didn't let other people access her card. But it's clear from previous phone call recordings between Miss T and Barclays that she'd told Barclays she had a tablet with the technology company. On one call, she told Barclays that her app with the technology company was no longer working, which would have been at the time when her previous Barclays debit card had been cancelled after her previous fraud claim, and before the replacement had been issued. So I think it's likely that Miss T was a customer of the technology company, and had previously given it her card details. I also agree with the investigator that it's likely that Miss T hadn't password protected her account on the devices that had access to her account.

After the investigator issued his view, Miss T said that her young son had made the transactions. She hadn't said this before. It's not clear why she hadn't, but it does make this less credible. I've also borne in mind that there had been previous disputed transactions to the same technology company, some months earlier. On those occasions, Barclays refunded Miss T. But that doesn't bind Barclays to refund her for all future occasions.

Finally, Miss T said that she's in financial difficulties. I'm sorry to hear that. But the outcome of this complaint has to be based on what happened, and what the regulations say about whether a customer or the bank is liable for disputed transactions. So these are what I have to consider, and not Miss T's current financial difficulties.

Taking all these factors into account, I consider it's more likely than not that Miss T authorised the payments herself. This means that Barclays doesn't have to refund 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 T to accept or reject my decision before 25 August 2023.

Belinda Knight
Ombudsman