

## **The complaint**

Mr D has complained Barclays Bank UK PLC won't refund him for a card transaction he didn't make.

## **What happened**

Shortly after a transaction made using his Barclays debit card on 25 November 2022, Mr D blocked his card and reported what he believed was fraud to Barclays. He'd seen a transaction for £179 which he said he'd not made.

Barclays believed this was an online transaction with the goods picked up at a local store close to Mr D's home address. They continued to think he'd made this transaction himself as they felt this wasn't part of a normal fraud pattern.

Mr D brought his complaint to the ombudsman service.

Our investigator reviewed the evidence but felt overall it was most likely Mr D's card details had been compromised and used fraudulently. He asked Barclays to refund Mr D in the absence of further evidence he'd requested from Barclays.

Barclays provided further evidence. Another investigator confirmed she believed the outcome remained correct. As Barclays hasn't responded further, this complaint has been referred to an ombudsman.

## **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've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, 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 relevant time.

The regulations which are relevant to Mr D's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

To help me come to a decision, I've reviewed the evidence Barclays provided as well as what Mr D has told us.

I believe these transactions were carried out by a third party and not Mr D. I say this because:

- Mr D's actions on discovering an unauthorised transaction had been made using his debit card are what you'd expect to see. He reported this immediately to Barclays – despite being told they could take no further action as the transaction had not been formally debited at that stage. He also blocked his card using the app.
- Mr D's use of his app shows he logged on in the morning and then in the evening when he spotted the disputed transaction.
- Barclays' evidence shows the card details only were used to make this transaction. There are many ways card details can be compromised enabling online transactions to be made.
- I can see that the items ordered online were delivered to a local retail park. The retailer – where the goods were purchased – has premises there. However I can't see this provides sufficient evidence to show that the goods were ordered or picked up by Mr D.
- Barclays' evidence of the actual card transaction shows an error code. They haven't explained what this means but I think this adds to the overall picture of the transaction being out of the norm.
- Barclays has suggested this single transaction doesn't follow what they normally see when fraud is committed. They also note a credit was made to the account which enabled this transaction to be made. However the credit would appear to be Mr D's regular wages, so I don't think these two things are related. I'm also wary about stating that certain behaviour is specifically fraud-related behaviour or not. I see no reason – nor has Barclays provided anything – why this one-off transaction couldn't be regarded as fraudulent.

I can see Barclays identified a certain level of risk with retaining Mr D as a customer. This may be because there was fraud on the account within a short period of Mr D opening the account.

Overall I don't believe there's sufficient evidence to show Mr D authorised this transaction.

### **Putting things right**

Barclays will need to refund Mr D for the disputed transaction and add simple interest to the amount at the normal rate.

### **My final decision**

For the reasons given, my final decision is to instruct Barclays Bank UK PLC to:

- Refund £179 to Mr D; and
- Add 8% simple interest to this amount from 25 November 2022 to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 11 January 2024.

Sandra Quinn  
**Ombudsman**