

The complaint

Mr and Mrs C complain that Barclays Bank UK PLC has been unable to explain how an unauthorised subscription payment was able to leave their account when they didn't sign up for this.

What happened

In September 2022, a transaction for £8.99 to an online magazine subscription debited Mr and Mrs C's account. Mr C discovered that this particular subscription was offered via Barclays' mobile app linked to the current account, but when he checked his app, there wasn't a live subscription to this merchant, and he didn't have the means to cancel it as he did for other genuine subscriptions. Mr C is adamant he did not sign up for this subscription.

Mr C contacted Barclays to dispute the payment on more than one occasion and was first directed to the merchant to ask about the subscription. He did so and was advised the merchant had no record of him. When liaising with Barclays again, he says he was told conflicting information, but it did agree to refund the £8.99 subscription fee and pay £50 compensation to Mr and Mrs C for failures in its customer service.

Mr and Mrs C were unhappy about this, as Mr C is specifically seeking an explanation as to how the subscription started in the first place. He refutes Barclays' comments that he must have authorised the subscription, as he had no ability to cancel it within his mobile app. He says he wants to prove it wasn't him who signed up for it and that it was a software failure from the bank.

One of our investigators looked into Mr and Mrs C's complaint. He said he had no evidence or plausible explanation as to how a compromise could've occurred resulting in the £8.99 subscription payment, however, in any event, Barclays put Mr and Mrs C back in the position they would've been in had the transaction not occurred. He said he understood Mr C's desire to clear his name, but no-one was accusing him of any wrong-doing, and, overall, he felt the £50 compensation offered by Barclays was fair in the circumstances.

Mr and Mrs C remained unhappy, and so the complaint has 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.

Having done so, I've reached the same conclusion as our investigator, for broadly the same reasons.

I'd firstly like to say that I appreciate Mr C's comments that this complaint isn't about the money for him, it's the principle of the matter. I understand he wants to get to the bottom of how this happened as he's adamant that neither he, nor Mrs C, signed up for the online magazine service.

I'd also like to reassure Mr C, that our investigator has asked Barclays on more than one occasion for evidence as to how this subscription was authorised on Mr and Mrs C's joint account, but this wasn't provided by the bank.

So in the absence of that evidence, I've had to consider what is a fair and reasonable outcome to this complaint, based on the evidence I do have available.

I know Mr C wants to know exactly how this subscription started. When speaking with the merchant, he discovered that it didn't have his details on record, and he wasn't able to cancel in his mobile app, suggesting that the subscription wasn't his. I accept this, and I can understand why, along with his insistence that he wasn't interested in the services of this merchant, that he believes there has been some kind of system issue on the banks part.

But I simply have no evidence that this was the case. I appreciate that Barclays has suggested that there were offers available with its subscription services around the time the £8.99 debited Mr and Mrs C's account, and that it may've been linked to a genuine subscription of a similar nature that Mr C had signed up for, but again, there is no evidence to suggest that this is what happened either.

The explanations put forward from both Barclays and Mr C as to how this was possible are only speculative, and as above, I appreciate the reasons why both parties have taken this approach. But I'm sorry that I won't be able to provide Mr C with the answers that he is hoping for in a resolution to this complaint.

Having said that, in any event Barclays has refunded the £8.99 transaction that Mr C says was an unauthorised transaction. This is what the relevant regulations say it must do as a Payment Service Provider in the case of an unauthorised transaction. So, I'm satisfied it's taken the appropriate steps to put Mr and Mrs C's account in the position it would've been in had this transaction not occurred. I think this is fair and reasonable.

On the matter of compensation, I appreciate this complaint is more about the matter of principal, and Mr C has given a detailed account of the customer service failings he experienced from Barclays when raising his dispute. I accept that the bank could've provided a better service, including returning Mr C's calls when it said it would, to keeping Mr C on the phone for extended periods and issues with its final response letter reaching him. However, when considering the overall circumstances, I find that the £50 it's already credited to Mr and Mrs C's account is fair to reflect the impact these issues had on Mr C. So, I won't be asking it to increase this.

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 Mrs C and Mr C to accept or reject my decision before 1 December 2023.

Lorna Wall
Ombudsman