

The complaint

Mrs G complains that Barclays Bank UK PLC wouldn't refund payments she said she hadn't made from her account.

What happened

Mrs G disputed six cash withdrawals and a card payment as part of this complaint. She says that she didn't make these payments.

Barclays said it wouldn't be making a refund. The cash withdrawals had been made when the chip on her card had been read and the correct PIN entered each time. There was no explanation of how these had been compromised. It had decided to close Mrs G accounts.

Our investigator didn't recommend that the complaint be upheld. There were genuine payments before and after the disputed ones. Mrs G had her cards in her possession. And she said she hadn't told anyone her PINs. There was no explanation for how an unknown third party acting without her authority would be able to take her card and find out her PINs. There were no PIN errors and no attempt to take out all the money available. There was no clear reason why Barclays ought to have identified these payments as unusual or uncharacteristic. It would be down to the relevant authorities to obtain any third-party CCTV. Barclays was entitled to decide to close her accounts.

Mrs G didn't agree and wanted her complaint to be reviewed. She provided evidence she was at work on the morning of 23 January 2023. And she said she wouldn't have gone to the cash points involved especially as she isn't able to drive. She said that she always kept her card with her and hadn't disclosed the PIN. She hadn't taken money out from cash points like this.

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.

I need to take into account the Payment Services Regulations 2017 in considering this complaint. These state that a payment can only be authorised if it was consented to. So, it's not enough for it to be authenticated, say with a card and PIN. And if they weren't authorised Mrs G wouldn't generally be responsible for them.

So, I will be thinking about the following areas in looking at this complaint:

- What is the most likely explanation of what happened to the cards and PINs used for these payments?
- Did Mrs G authorise the payments on the account which could have been by allowing someone else to use the cards?

I'm satisfied that the payments in dispute here were authenticated. There were six cash point

withdrawals. And these required the chip to be read and the correct PIN entered.

The issue is whether Mrs G consented to the payments. I take into account that the claims being considered here cover two separate time periods and accounts. The first was between 23 and 27 January 2023. There were four cash withdrawals and one card payment disputed. Mrs G had her card before these payments and when she reported them. She has provided a time sheet she says shows she was at work at least during the payments on 23 January 2023. The other cash machine withdrawals I'm considering here related to a different current account, and card and took place on 17 March 2023. The records from Barclays show that the card here had been issued on 6 March 2023 and a PIN available from 4 March 2023. And that the card had been used before this for a genuine payment.

Mrs G says she had kept her cards safe and hadn't disclosed the card PINs to anyone. She was still in possession of the cards when she reported the fraud. It's highly unlikely that a fraudster would be able to take the card and replace it without her knowing and would go to the trouble of doing so. She hasn't identified anyone close to her that could have done this. Although on two days the maximum cash machine withdrawal amount was taken, on the others it wasn't. And there were significant funds available for other payments if a fraudster had her card and PIN.

I won't be able to say *exactly* what happened and I'm thinking about what is *most likely*. Having considered what Mrs G has said and all the evidence I don't think it most likely that these payments were made without her authority. This could have involved her allowing someone else to use her cards. In the circumstances I don't consider it unreasonable for Barclays to hold her liable for the disputed payments and to decide to give her notice of the closure of her accounts.

I can appreciate she will be very disappointed given what is at stake for her.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 12 October 2023.

Michael Crewe
Ombudsman