

## **The complaint**

Mr G complains that Barclays Bank UK PLC (“Barclays”) won’t refund £623.90 he lost to a scam.

## **What happened**

The details of this complaint are well known to both parties, so I won’t repeat everything again here.

In brief summary, Mr G was contacted by a scammer posing as a travel agent who was using the details of a genuine company. The scammer convinced Mr G to purchase a flight using his Barclays debit card for £623.90 on 29 August 2022. However, he didn’t receive a confirmation of the booking, and the scammer stopped responding to his calls and emails.

Mr G reported the fraud to Barclays, who raised a chargeback claim and provided a temporary refund of the disputed amount into his account. The chargeback was defended, however, as it transpired the payment had in fact gone to a genuine travel company who had issued the flight tickets, albeit in another person’s name. Barclays provided this information to Mr G and asked him to respond if he had any concerns. When it didn’t hear from him, it re-debited the temporary refund it had applied to his account.

Mr G complained as he didn’t think Barclays had acted fairly by re-debiting the disputed payment, as it had left him in financial difficulty while he was away. Barclays acknowledged this and paid £50 compensation in recognition of the difficulty caused to Mr G, but it said it wouldn’t be refunding the payment. Unhappy with this, Mr G referred the matter to our service.

Our investigator didn’t uphold the complaint. She didn’t think there was any reason for Barclays to have prevented or intervened in the payment being made, and neither did she think it was unfair for it to re-debit the credit it had applied to Mr G’s account in light of the evidence provided by the merchant. Mr G disagreed, so the matter has been escalated to me to determine.

## **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 agree with the conclusions reached by the investigator for the following reasons:

- It isn’t disputed that Mr G has fallen victim to a scam here, nor that he authorised the disputed payment. He was tricked into paying for a flight that wasn’t issued to him, using his Barclays debit card. The payment was requested using his legitimate security credentials provided by Barclays, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.

- However, I've considered whether Barclays should have done more to prevent Mr G from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- In this instance, I don't think the £623.90 payment would've appeared overly unusual or suspicious. Its relatively modest value wouldn't have signified that Mr G was at a heightened risk of financial harm, for example, so I'm not persuaded there was anything that ought reasonably to have triggered Barclays' fraud monitoring systems, or that would have indicated he was in the process of being scammed. As a result, I'm not persuaded Barclays can fairly or reasonably be held liable for failing to prevent the scam in these circumstances.
- I've also considered whether Barclays acted reasonably in its attempts to try and recover the money Mr G lost. Barclays rightly raised a chargeback claim when Mr G reported the fraud, which was defended by the merchant. The merchant was a legitimate travel agency, which provided evidence to show that it had provided flight tickets in return for the money paid by Mr G. Barclays therefore didn't pursue the chargeback claim any further. And having considered the circumstances, I'm not persuaded it has acted unreasonably, as I don't think Mr G would've had any reasonable prospect of succeeding in a claim under any of Visa's chargeback codes. He couldn't claim that the merchant had not provided the goods, for example, as it did in fact issue flight tickets in the name of the person they were booked for. It also cannot be said to have misrepresented the goods either, as it was not involved in the sale, which was conducted by the scammer.
- I appreciate Mr G was unhappy that Barclays re-debited the credit it applied to his account. However, it's standard industry practice for a bank to provide a temporary refund when a payment is disputed, while it raises a chargeback claim in an attempt to recover the funds. If it's determined that the claim would not succeed under the card issuer scheme rules, then the refund will be re-debited. So, I don't think Barclays has acted unfairly by taking the money back. I do, however, recognise that the timing of the debit left Mr G in a difficult financial position while he was on holiday. Barclays paid £50 compensation in recognition of the distress and inconvenience caused. And given Barclays was ultimately entitled to debit the money from Mr G's account, I'm satisfied this compensation is fair in all the circumstances, so I won't be asking Barclays to make any further award.

I appreciate this will likely come as a disappointment to Mr G, and I'm sorry to hear about the scam he has fallen victim to. However, I do not think Barclays needs to take any further action.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 8 April 2024.

Jack Ferris  
**Ombudsman**