

The complaint

Mrs A is unhappy that Barclays Bank UK PLC won't refund money she lost from a scam.

What happened

Mrs A explained she was contacted by someone claiming to be from Amazon's fraud team. They told her someone tried to buy a phone using her account, which correlated with what she saw in her Amazon basket. Mrs A recalled how new apps and software were downloaded onto her phone, including remote access software and the Western Union app.

As a result of the call, two card payments were made via Western Union totalling £898. Mrs A disputed these payments with Barclays, who declined to refund them. So she brought her complaint to our service to investigate.

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 for these reasons:

- Everyone accepts that Mrs A was the victim of a cruel scam. But it's less clear whether the disputed payments were authorised. This is relevant as, in line with the Payment Services Regulations 2017 (PSRs), she would generally be liable for payments she authorises – whereas Barclays would be liable for unauthorised payments.
- The PSRs specify that authorisation depends on whether the payments were authenticated correctly – and whether the account holder consented to them. It doesn't appear to be in dispute that the payments were authenticated correctly (as in, the correct payment steps were completed). The dispute is over whether Mrs A consented to them.
- The PSRs specify how consent is given. It doesn't require Mrs A to fully understand the details of the payment. Instead, it happens when she completes the steps to make it.
- This means, for the purposes of whether a payment is authorised, it doesn't matter if Mrs A was deceived about the purpose or amount of the payment, or coerced into making it.
- I've taken this into account when considering the facts of this case. And I've noted that:
 - When Mrs A reported the scam to Barclays, its notes suggest she was forced into making the payments. This is in-keeping with Western Union's notes which reference how she was persuaded to make the payments.

- She's since explained fraudsters made the payments using her phone, after they convinced her to download remote access software. But, given the type of phone she has, I don't think it's likely they could've used this software to control the device – instead, they would've only been able to see what she doing.
 - It seems Mrs A had the Western Union app on her phone after the scam call, suggesting her device was used to facilitate the disputed payments.
- Of course, I can't be certain what happened. But civil disputes like these are only ever decided on the balance of probabilities – in other words, what's more likely than not to have happened.
 - Here, given the initial reports, the type of device Mrs W has and the activity on her device, I think it's likely that she was coached by the fraudsters into making the payments herself. It follows that I consider them to be authorised, which means she's presumed liable for the losses in the first instance.
 - However, there are circumstances when it might be appropriate for Barclays to take additional steps before processing a payment. Such as when there are grounds to suspect the payment presents a fraud risk. That might occur when a payment is significantly unusual or uncharacteristic compared to the normal use of the account.
 - Here, the value of the payments nor frequency looked particularly significant. So in the circumstances, I think it was reasonable Barclays simply processed the payments in line with the instructions it received.
 - As well as whether Barclays ought to have prevented the losses, I've considered whether it could've have done more to recover them.
 - Mrs A suggested the card payments ought to have been stopped when she reported the scam. But, while the payments may have shown as pending, the merchant was already authorised to take the money. So Barclays can't simply reverse them. I also haven't seen there was any reasonable prospect of a chargeback claim succeeding, given that Western Union provided the service it was asked to.
 - I realise this will be disappointing news for Mrs A, who understandably feels strongly about the matter given the horrible scam she fell victim to. But having considered the matter carefully, I don't think Barclays can be fairly blamed for her losses from these payments.

My final decision

For the reasons I've explained, I do not uphold Mrs A's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 19 June 2024.

Emma Szkolar
Ombudsman