

## The complaint

Ms W is unhappy as Barclays Bank UK PLC (“Barclays”) hasn’t fully reimbursed her the money she lost after falling victim to a scam.

## What happened

Ms W says she was approached by builders in October 2022 who coerced her into making payments to work on her loft. On 3 October 2022 Ms transferred three payments totalling £24,500 to three different bank accounts. In November 2022 Ms W was approached again by what she believed to be a different set of builders. However unbeknown to her they were linked to the original scam. On 25 November 2022, Ms W transferred three payments totalling £42,000.

Transaction #	Date	Amount
1	03/10/2022	£10,000
2	03/10/2022	£11,500
3	03/10/2022	£3,000
4	25/11/2022	£10,000
5	25/11/2022	£22,000
6	25/11/2022	£10,000
total loss		£66,500

Barclays has refunded £33,250 (50% of Ms W’s claimed losses) under the CRM Code - accepting that the payments were out of character, and it could have done more. But it felt that Ms W did not have a reasonable basis for believing the opportunity was genuine.

Payments went to five different bank accounts across four different receiving banks and the receiving bank for payments 1,2 and 5 accepted liability and refunding £14,499.99 of Ms W’s losses. Ms W has also received a number of other credits which Barclays has explained are funds that were recovered from the beneficiary accounts for transactions 1,2 and 4 totalling around £10,534. So in total Ms W has received around £58,284.

Our investigator upheld the complaint in part. He felt that Ms W should share in responsibility for losses from the last three transactions. Given this conclusion and the sums Ms W has already received, he felt Ms W hadn’t suffered any further losses.

Ms W didn’t agree and wants all her losses to be refunded.

My own investigation showed some of the figures outlined in the view were incorrect. Since my involvement Barclays has refunded a further £549 which I had spotted was due to Ms A.

I wrote to Ms W’s representative on 9 February 2024 outlining why I agreed with the investigator – broadly for the same reasons. And I outlined several tables of figures to demonstrate the position.

Whilst Ms W's representative made no further submissions or arguments, it requested this was put into a formal decision.

### **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.

As Ms W's representative hasn't provided any further evidence or arguments for consideration, I see no reason to depart from the conclusions set out in my email to it dated 9 February 2024. For completeness, I have set this out below.

In deciding what's fair and reasonable, I'm required to take into account relevant law and regulations; regulatory rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

The starting point under the relevant regulations and the terms of Ms W's account is that she is responsible for transactions she's carried out herself. However, Barclays are signatories to the Contingent Reimbursement Model (CRM) Code. The CRM Code requires firms to reimburse customers who have been the victims of Authorised Push Payment (APP) scams like this, in all but a limited number of circumstances.

Barclays seek to rely on one of the exceptions to reimbursement.

- Ms W made the payments without a reasonable basis for believing that they were for genuine goods or services; and/or the people she paid were legitimate.

Barclays has already refunded 50% of Ms W's total losses (£32,500) for its part. In addition, Ms W has received £14,999.99 from one of the receiving banks who agreed to share liability for its part. In addition, Ms W has received £10,534 in recovered funds across payments 1, 2 and 4. This leaves an outstanding loss of around £8,400.

#### *Did Ms W have a reasonable basis for belief?*

I need to consider not just whether Ms W believed she was paying for building work but whether it was reasonable for her to do so. I've thought about the steps Ms W took to reassure herself about the legitimacy of the transactions and whether it was reasonable for her to proceed with the payments.

As I have said - I agree with the investigator - broadly for the same reasons. I don't think there should be a deduction for the first three payments. But by the fourth payment Ms W knew she had already been the victim of a scam the previous month. The tactics used by the scammers were similar – in particular this was another cold call with request for payments up front. This was a lot of money to pay upfront and I don't think a genuine building company would do this. There also wasn't any agreement about what works would be carried out.

Whilst Ms W didn't realise these were the same people that had cold called on her and tricked her back in October 2022, by the fifth payment (and by her own admission) she had made the connection the money was going to the same bank account and same known payee she had paid for the very first transaction. I don't think the story she was given in response to her questioning this was plausible. And given what had happened previously - I think all of this warranted checking further before making any payments.

Given these were not inconsiderable sums of money - I think that Ms W ought to have had greater concerns about the arrangement and that, in turn, ought to have led to a greater degree of scrutiny on her part which would likely have revealed this was a scam.

Overall, I'm not persuaded Ms W had a reasonable basis for believing the payee was the person she was expecting to pay; that the payment was for genuine goods or services; or the person/ business with whom Ms W transacted was legitimate.

Whilst Barclays didn't initially refund the first three transactions in full – it did make its refund before one of the receiving banks also agreed to share liability and before further funds were recovered from all the beneficiary bank accounts. Consequently, based on my conclusion above, this means Barclays has overpaid Ms W. I therefore don't think it would be fair or reasonable to ask Barclays to refund anything further.

### **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 Ms W to accept or reject my decision before 25 March 2024.

Kathryn Milne  
**Ombudsman**