

## **The complaint**

Miss C complains that Barclays won't fully refund her after she fell victim to a scam.

## **What happened**

Miss C has a current account with Barclays. In September 2023, she advertised a pushchair for sale on a well-known social media marketplace for a price of £50.

She was contacted by someone saying they were interested in buying the pushchair. The buyer said that her son would come round to pick up the pushchair. Miss C asked the buyer if they could pay in cash.

She explained later that she's used the marketplace before and for security she prefers to receive cash on collection for items she sells. But the buyer said their son didn't yet have a bank account, so it would be better for the buyer to pay Miss C direct.

Miss C gave her bank details, and then when the buyer asked, she provided her email address too.

The buyer said they'd transferred over the £50 asking price. Miss C then received an email supposedly from the buyer's bank. This said that the "account needed to be expanded" because the amount was over the balance limit. The buyer said they would pay in £100 to upgrade the account. But Miss C was then told she needed to refund the buyer's £100 before she could receive payment.

The buyer gave Miss C bank details to make this payment to. The account name was an individual's name rather than a bank or financial firm.

Miss C made a payment by Faster Payments transfer from her Barclays account for £100.

After this, the account apparently had to be further upgraded. It then needed fees to be paid. The buyer told Miss C that she'd be refunded in full, as well as receiving the £50 payment for the pushchair.

Miss C then paid three further payments: another payment of £100 to the same payee, then £300 to two different payees. But the buyer said Miss C hadn't paid the right account and needed to pay more. Miss C realised she was being scammed and refused. She asked the buyer to refund her money and when they didn't, Miss C reported everything to Barclays.

Barclays tried to recover the money she'd sent from the other bank. But no money remained to return to Miss C.

Barclays looked into what had happened. It agreed that Miss C had been the victim of a scam. It is a signatory of the Lending Standards Board Contingent Reimbursement Model (the CRM Code), which provides additional protection to scam victims against the impact of authorised push payment scams (such as this was). Barclays said it could have done more to protect Miss C from the risk of fraud or scams. But it thought Miss C could have taken

more care before sending the payment. It therefore said it would share the loss equally with Miss C, and it refunded £400 to her account – half the amount she'd lost.

Miss C asked our service to look into the matter. Our Investigator thought Barclays had treated Miss C fairly and in line with the CRM Code. He thought Miss C should have doubted what she was being asked to do by the supposed buyer (or the supposed buyer's bank). He didn't think she had a reasonable basis for believing this was legitimate. So, he didn't think the bank needed to pay her more than it already had.

Miss C was unhappy with this outcome. In light of this disagreement, her complaint has been referred to me to reach a final 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.

I'm sorry to hear about what's happened to Miss C. She's been the innocent victim of a scam here and lost a lot of money. She's explained about the impact this has had on her and her family. However, despite my natural sympathy for her, my role here is confined to considering whether Barclays can be held fully responsible for her loss. The main source of the impact on Miss C was the scammer who deceived her.

The starting point in law is that Miss C is responsible for payments she's authorised herself. And there's no dispute about whether she made these four payments. That applies even though she'd tricked into making them by the scammer.

Barclays has accepted a share of the blame for the money she lost. It says it could have done more to protect her. Under the CRM Code, when a bank is at fault, it will usually need to accept responsibility for at least part of the loss.

But the bank won't be required to refund in full if it can show that it's likely the customer made any scam related payments without having had a reasonable basis for believing what they did – specifically that they were paying who they thought they were paying or were paying a legitimate business for a genuine service.

Barclays says this exception to full reimbursement applies here. So it says it is fair that it and Miss C should equally share the loss. I've carefully reviewed everything to see whether I agree.

Firstly, I understand why Miss C initially thought that the buyer might be genuine. They'd contacted her and asked questions about the pushchair. That is what you might expect from a genuine buyer when they'd seen something advertised on social media.

But what followed wasn't usual for someone who was buying an item. I think there were a number of things that should have caused Miss C to question if the buyer was genuine.

The people whom Miss C was asked to pay, were supposedly expanding or upgrading the buyer's account to allow the buyer to make a payment of £50 to Miss C. But rather than paying the bank or a company, Miss C was being asked to pay what look to be individuals. I can't see that any real explanation for this was given to her. A legitimate bank wouldn't ask someone to pay one of their employee's personal accounts.

And I don't find the basic story she was given was plausible – that the buyer couldn't pay unless their account was upgraded first – or that Miss C would need to make payments to

upgrade it for them. Even at the point she made the first payment, Miss C was being asked to pay double the price of the item she was trying to sell – just to receive the money she was owed by the buyer for the pushchair. That was a significant red flag.

While the buyer said this had happened to them before, and said it was normal to pay to upgrade the account, I don't think Miss C should have been reassured by this. The story didn't really add up. And Miss C didn't really know anything about the buyer that might have given her greater reason to believe what they told her. She was putting a lot of trust in a stranger. Given all of this, I think Miss C should have had serious doubts about going ahead.

And I think that the messages she's provided suggest she did have doubts about this. Not long after making the second payment she sent a message to the buyer saying: *"my suspicion was correct that you are scamming me"*.

Miss C should have trusted her instincts and not gone ahead when she was first asked to pay money in order to make the sale. She'd identified that what she was being asked to do wasn't right, and she had doubts about it at the time she was making the payments. I've seen nothing to make me think Miss C couldn't have protected herself or simply walked away from this deal and waited for a different buyer instead.

Overall, I am not satisfied that Miss C had a reasonable basis for believing she was paying who she thought she was paying or that she was paying for a genuine service.

I've considered all of the evidence here thoroughly including everything Miss C has said. But having done so, I'm satisfied that Barclays has fairly established that the exception to full reimbursement under the CRM Code can be applied to Miss C's payments.

The CRM Code is a voluntary code that exists to provide additional protection where it is relevant. But I've also thought about whether Barclays should be held responsible for a higher amount outside the provisions of the CRM Code.

Barclays followed Miss C's instructions when it made these payments, and I don't find there was a reason for it not to have done so – that was its primary obligation here. The payments weren't so unusual or remarkable in value or type that the bank ought to have suspected something might have been wrong.

And when the scam came to light, I'm satisfied that Barclays acted appropriately in attempting to recover Miss C's money. But unfortunately, nothing remained by the point the scam had been reported.

In short, I don't find the bank needed to do more outside of the requirements of the CRM Code.

With all of the above in mind, and based on what I've seen, I don't consider that Barclays needs to do more than it has already done, and it does not need to refund more than the 50% it already has paid to Miss C.

In saying this, I am sorry to hear about the situation that arose here, and that Miss C has been left significantly out of pocket as a result of this scam. I understand that this is not the outcome Miss C wants. She's been the victim of a cruel scam. But that doesn't mean her bank is required to refund her. And I can reassure Miss C that I've carefully considered all the circumstances of her complaint before reaching what I consider to be the fair and reasonable decision in all of the circumstances.

**My final decision**

For the reasons given above, I do not uphold this complaint. I don't require Barclays Bank UK PLC to pay Miss C more than the amount it already has.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 23 February 2024.

Stephen Dickie  
**Ombudsman**