

The complaint

Mr M complains about Barclays Bank UK PLC.

He says that he has fallen victim to a scam and would like Barclays to refund him the money he has lost as a result.

What happened

Mr M purchased a vehicle for £9,000 that he later discovered had been cloned and was stolen from his home a few hours later.

He complained to Barclays about what happened and is seeking reimbursement of his loss from Barclays under the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code.

Barclays didn't uphold his complaint, so it was brought to this Service. Our Investigator looked into things but didn't think that the complaint should be upheld.

Mr M asked for an Ombudsman to make a final decision, so the complaint has been passed to me.

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 have decided not to uphold this complaint. I know this will be disappointing for Mr M, and I am very sorry for the situation they he finds himself in and fully understand that he would want to attempt to recover the money that has been lost. But I need to decide whether Barclays can fairly and reasonably be held responsible for this.

It isn't in dispute that Mr M authorised the payments he made for the vehicle. Because of this the starting position – in line with the Payment Services Regulations (PSR's) 2017 – is that he is liable for the transactions. But he also says that he has been the victim of an authorised push payment (APP) scam.

Barclays has signed up to the provisions of the Lending Standards Board Contingent Reimbursement Model (the CRM code) which requires firms to reimburse customers who have been the victims of Authorised Push Payment (APP) scams like the one Mr M fell victim to, in all but a limited number of circumstances.

A customer who has fallen victim to a scam should, under the CRM Code, be refunded in full in most circumstances. But the Code does set out exceptions to reimbursement which a business can choose to rely on, if it can evidence that they apply.

Generally, there are two exceptions to reimbursement under the CRM Code (there are other exceptions, but these do not apply here)

- Mr M ignored an 'Effective Warning'
- Mr M made the payments without a reasonable basis for belief that they were for genuine goods/services; and/or the supposed investment was legitimate

Looking at the payments Mr M made, I do think that Barclays was required to provide Mr M with an effective warning about what he was doing – the payments were unusual enough for it to have had concerns that Mr M may have been at risk of financial harm.

However, I am unable to uphold a complaint purely on this basis – as I also need to consider if Mr M prevented Barclays from being able to provide him with an effective warning about what he was doing – and I think that he did. I'll explain why.

On his way to collect the car, and prior to making the payments for the vehicle, Mr M says that he completed an HPI check on the vehicle. This HPI check showed that the license plate and VIN for the vehicle were currently recorded by the police as stolen. And I think he should have seen this as a red flag and investigated further before parting with any money.

When he arrived to see the vehicle, Mr M was satisfied with what he saw and made the payment. Barclays intercepted this, provided a written warning to Mr M (although this was not relevant to the scam), and then asked him to call it to release the payment which Mr M did. Barclays asked him questions about the payment, such as if he was with the vehicle at the time, if he had seen the logbook and if he had driven the car. While it didn't provide him with an effective warning, it did ask the relevant questions I would have expected it to when someone is purchasing a car.

Mr M didn't divulge to it at the time what the HPI check had uncovered – had he done so then I think Barclays would have told him that this was a red flag, and that he shouldn't part with the money.

I am also aware that Mr M noticed after he had purchased the vehicle that the VIN on the infotainment screen was different to the HPI check and logbook – he contacted the scammer about this to ask if there as anything dodgy happening, and was satisfied with the answer provided – but he didn't flag this with Barclays or the police, or seemingly look into this any further.

So, while I don't think that Barclays provided an effective warning, I am satisfied that it did what it could to try and protect Mr M, but unfortunately as he didn't divulge important information to it, it was not able to take this into account.

Finally, I am also not persuaded that Barclays would have been able to recover any funds from the scammer on Mr M's behalf – the scam was reported three days after it took place, and I think it's unlikely any funds would have remained after this time.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 November 2025.

Claire Pugh
Ombudsman