

## **The complaint**

Miss A complains that Barclays Bank UK PLC did not reimburse the funds she lost to a scam.

## **What happened**

Miss A says she was the victim of an authorised push payment (APP) scam, in which someone called her pretending to be from Barclays. She says they knew her name, date of birth and e-mail address, so she was satisfied they were from Barclays. They told her that her account was being hacked and to check her online banking for suspicious activity, but when she did everything looked fine. They said they would open a safe account for her to move her funds to so they would be protected, and over 15 and 16 August 2023, she made the following payments to the 'safe account': £500, £550, £350.

Not long after making the final payment, a family member warned Miss A she may be the victim of a scam, and she telephoned Barclays to raise a claim. During the call with the fraud specialist, Miss A said she had not carried out the transactions herself, so they treated it as a fraud claim and not a scam one. Following an investigation, Barclays issued a final response letter in which they explained the evidence showed it was more likely Miss A carried out the transactions herself, so she would therefore be held liable for them, and they did not provide a refund.

Miss A referred the complaint to our service, and our Investigator could see Miss A did carry out the transactions, but she was tricked into doing so by the scammer when they pretended to be calling from Barclays. So, they assessed the complaint under the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code which gives additional protection to victims of APP scams. Having done so, they did not think Barclays needed to intervene in the payments as they were not unusual or suspicious. And they did not think Miss A had a reasonable basis to believe the scammer was calling from Barclays, as she would have received a warning when she made the transactions that the receiving account name did not match her own. So, they thought it was fair that Barclays did not reimburse her.

Miss A did not agree with the findings. As an informal agreement could not be reached, the complaint has been passed to me for 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.

The starting point under the relevant regulations and the terms of Miss A's account is that she is responsible for transactions she's carried out herself. However, Barclays are signatories to the CRM Code and, taking into account regulators' rules and guidance, codes of practice and what I consider to have been good industry practice at the time, should have been on the lookout for unusual and out of character transactions to protect its customers from (among other things) financial harm from fraud.

I've first considered whether Barclays should refund Miss A under the provisions of the CRM Code. Barclays seek to rely on an exception to reimbursement, that Miss A made the payment without a reasonable basis for believing that the person she was dealing with was legitimate.

When considering this, I have thought about what Miss A said about her interaction with the scammer. They called her from a private number, meaning they did not call her from a number connected to Barclays as I would expect. She says they took her through security, in which they knew her name, e-mail address and date of birth. However, ordinarily it is the consumer who provides the personal information in order to pass security, so I think this could have been seen as unusual. They then asked Miss A to check her online banking to see if there was any suspicious activity as her account was compromised, but when she looked she could see everything was fine, so it is unclear why she then had to transfer funds out of the account.

I can also see that when Miss A made the transfers out of the account, she entered the name of the account holder as her own name, as she was expecting the 'safe account' to be in her own name. However, she received a warning that the name she had input did not match the name of the account holder of the account she was paying. This, along with the points above, make me think Miss A did not have a reasonable basis to believe she was really dealing with a member of staff at Barclays.

In addition to the above. I also have to consider that when Miss A raised the disputed transactions with Barclays, she firmly told them that she did not authorise the transactions herself and she had no idea how they had occurred. However, this was not correct as she has since told us she did authorise the payments herself. It is unclear why she was not honest with Barclays initially, but it makes it means I cannot place much weight on her testimony.

For all the reasons outlined above, I think it was reasonable for Barclays to apply the exception to reimbursement in this case, so I think it is fair that they did not refund Miss A.

I have also considered if Barclays met their obligations under the CRM Code, namely if they should have provided an effective warning in the circumstances. I would expect them to do so where there is an APP scam risk, meaning the transactions are unusual enough that there is a risk the account holder could be the victim of an APP scam. When considering this, I have compared the scam payments to the genuine account activity.

On balance, I do not think the payments themselves were particularly high in value, and I don't think the pattern of the payments was so unusual to warrant and intervention from Barclays. They were spread out over two days and generally matched the genuine account activity made prior to the scam occurring.

With all of this in mind, I do not think it was clear there was an APP scam risk at the time, and I therefore do not think Barclays was required to provide an effective warning under the CRM Code. So, I think they satisfied their obligations under the code.

I understand that this will be very disappointing for Miss A, and I want to acknowledge that she has been the victim of a cruel and manipulative scam. But I think that it was reasonable for Barclays to apply an exception to reimbursement, so I won't be asking it to refund any of the loss to her.

I also considered if Barclays could have done more to try and recover the funds. After looking at the receiving bank statements, I can see her funds were removed from the account almost immediately after being deposited. So, I do not think any earlier intervention

from Barclays could have resulted in the funds being recovered.

### **My final decision**

I do not uphold Miss A's complain against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 18 July 2025.

Rebecca Norris

**Ombudsman**