

The complaint

Mr C complains that Barclays Bank UK PLC (“Barclays”) have declined to reimburse losses he has incurred as result of a scam.

What happened

The background to this complaint is well known to both parties so I won’t repeat it in detail here. But, I understand it to be as follows.

In late 2023, Mr C contracted the services of a building company to carry out work on his property. This company will be further referred to as ‘Company A’.

Mr C initially requested Company A to attend his property to inspect some damage. A few weeks later, following further inspections and discussions as to the work required, Mr C agreed to pay Company A to carry out the agreed work. In total, Mr C paid Company A some funds in cash as well as £7,000 in faster payments from his Barclays account, which were made on 11 & 13 December 2023.

By the end of December, and without the agreed work being completed, Mr C was no longer able to contact Company A and instructed the services of another company. Mr C then contacted Barclays to request reimbursement of the money he paid to Company A as he felt he’d been the victim of a scam. Barclays looked into the matter but advised Mr C that it appeared to be a dispute between him and Company A, so they wouldn’t be taking any further action.

Mr C then raised a formal complaint with Barclays. Again, Barclays investigated the matter but the complaint but declined it on the basis that it was a civil dispute between Mr C and Company A. Unhappy with this response, Mr C referred his complaint to our service. An investigator looked into Mr C’s complaint but didn’t uphold it. The investigator said that they didn’t think there was sufficient evidence to demonstrate Mr C had fallen victim to an authorised push payment (APP) scam under the Contingent Reimbursement Model (CRM) Code and Barclays weren’t liable to refund him.

Mr C disagreed with the investigator’s findings and supplied further evidence and arguments, including the following:

- Company A was not registered or legitimate.
- The work carried out was deliberately ineffective and caused damage to Mr C’s property.
- The builder who inspected and corrected the works confirmed that this was a scam.

As the complaint couldn’t be resolved by the investigator it has been passed to me for a 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.

Mr C has provided detailed submissions to our service in relation to this complaint. In keeping with our role as an informal dispute resolution service, I will focus here on the points I find to be material to the outcome of Mr C's complaint. This is not meant to be a discourtesy to Mr C and I want to assure them I have considered everything he has submitted carefully.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I've reached my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in light of the available evidence. In broad terms, the starting position at law is that a bank such as Barclays is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

Barclays are a signatory of the Lending Standards Board's CRM Code which requires firms to reimburse customers who have been the victims of APP scams in all but a limited number of circumstances.

But, the CRM Code does not apply to private civil disputes, for example where a customer has paid a legitimate supplier for goods, services or digital content but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.

The relevant part of the CRM Code definition of an APP scam requires that the payment was made to: *'another person for what they believed were legitimate purposes but which were in fact fraudulent.'*

The Code also explains that it does not apply to *'private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services, or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier'*.

In order to reach my outcome on this complaint, I've considered the purpose for which Mr C made, and Company A received, the payments. And, if there is a significant difference in these purposes, whether I can be satisfied that this difference was as a result of dishonest deception.

It's clear that Mr C made the payments in order for building work to be carried out on his property. So, I've gone on to consider what purpose Company A had in mind and whether that was in line with the purpose Mr C made the payments.

Mr C contracted the services of a second company (further referred to as 'Company B') as the work carried out by Company A required remedial work and he was not receiving any response from them. Company B confirmed that Company A had not completed parts of the contracted work and that the work they had completed had to be removed and restarted.

Having reviewed correspondence between Mr C and Company B, it's clear that while some of the work hadn't yet been completed, the work that had been carried out appears to be of

some significance. Mr C has also confirmed that Company A supplied a significant amount of materials to him, as per their agreement.

So, while Company B confirm '*there was no evidence of any competent work having been completed at your property*', this doesn't demonstrate that Company A had no intention of completing the agreed work at the time they received payment.

I accept that the evidence from Company B shows that the work may not have been to a satisfactory standard, but, as stated above, the CRM Code does not apply to disputes regarding the standard of work and whether they are defective in some way.

While Company B do state in correspondence to Mr C that they believe he'd '*been the victim of a scam*', I'm not persuaded that the evidence provided demonstrates that Mr C's claim meets the CRM Code's definition of an APP scam.

I'd like to assure Mr C that I've considered the other aspects he has raised, notably the lack of Companies House, or other, registration and the criminal activity by the owner of Company A. Though Company A's lack of registration on Companies House could be seen as suspicious, it could also be the result of maladministration on its part, and so I don't find this persuasive evidence of it operating fraudulently.

While the evidence involving the owner of Company A's conduct is certainly concerning, it doesn't relate to any of his actions regarding Mr C or his property. Because of this, I don't find this persuasive evidence that Company A set out to defraud Mr C.

Ultimately, it appears as though Mr C made payments for work to be completed on his property and the evidence supplied to our service doesn't sufficiently demonstrate that Company A didn't have the intention on carry out those works at the time the payments were made.

Lastly, I've considered whether Barclays could've done any more at the time of the payments in order to prevent Mr C's loss. Though the payments may be considered to have been unusual and suspicious in comparison to the typical operation of Mr C's account, I don't believe that any intervention from Barclays at the time of the payments would've prevented them being made. I say this as have I don't think the answers Mr C would've given to any questions asked by Barclays would've suggested that he might be at risk of financial harm and resulted in the payments being prevented.

Overall, I'm not persuaded that Mr C has fallen victim to an APP scam as defined by the CRM Code, based on the evidence available. Should any material new evidence come to light at a later date that would suggest that Mr C was the victim of a scam, such as from the police or Trading Standards, then I would suggest he contacts Barclays to make them aware of this new evidence.

I appreciate this will be very disappointing to Mr C and I don't doubt the substantial impact this situation has had on him. But, I'm unable to say that Barclays are liable to reimburse his payments.

My final decision

My final decision is that I do not uphold this complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 October 2025.

Billy Wyatt
Ombudsman