

The complaint

Mr Y complains about Barclays Bank UK PLC.

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

What happened

Mr Y met an individual while he was providing a taxi service to the individual's home. The individual presented himself as being very successful and claimed that he was an investment broker. He invited Mr Y to visit his home to discuss making an investment.

Unfortunately, this person was a scammer – and Mr Y lost his money – a total of £5,000 made over five separate payments.

Mr Y complained to Barclays about what had happened, but it didn't uphold his complaint. It considered Mr Y's complaint under the Lending Standards Contingent Reimbursement Model code (CRM Code) but declined to refund him. It said that Mr Y didn't have a reasonable basis for belief in what he was doing.

So, Mr Y brought his complaint to this Service.

Our Investigator looked into things but agreed with what Barclays had said – and so didn't uphold the complaint either.

Mr Y 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 Y, so I'll explain why.

It isn't in dispute here that Mr Y has been the victim of a scam – and I am very sorry to hear of the situation he now finds himself in. However, even when a scam has occurred, it doesn't necessarily mean that a bank needs to refund the money that has been lost. It is also important to remember that it isn't Barclays that has caused the loss, but the scammer.

Mr Y authorised the payments he made. Because of this the starting position – in line with the Payment Services Regulations 2017 – is that he's liable for the transaction. But Mr R says that he has been the victim of an authorised push payment (APP) scam.

Barclays has signed up to the voluntary CRM Code, which provides additional protection to scam victims. Under the CRM Code, the starting principle is that a firm should reimburse a

customer who is the victim of an APP scam (except in limited circumstances).

Is Mr Y entitled to reimbursement under the CRM Code?

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

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

I don't find that Barclays was required to provide Mr Y with a warning about the payments before they were processed – the individual amounts were relatively small, and although they represent a large loss to Mr Y, businesses can't be expected to intervene on every payment.

That said, I'm also aware that Barclays spoke with Mr Y about some of the payments he made – but Mr Y wasn't truthful about the reasons for the payments, and said he was repaying a friend.

I also don't find that Mr Y didn't have a reasonable basis for belief that the individual he was dealing with was genuine.

I say this because I don't think that Mr Y took enough care to research what he was doing before deciding to part with his money to an individual he has just met when providing them with a taxi service. While I have no doubt that the individual was charming and persuasive, Mr Y wasn't provided with any documents or contracts and took no steps to verify the truth about what he was being promised.

I know that Mr Y says that he knew where the individual lived – I don't think this is enough to say that they were a genuine person – and the returns he was told he could expect seem very unrealistic and too good to be true.

I am aware that Barclays attempted to try and recover the funds on behalf of Mr Y but wasn't successful – but I think that it tried to do so in a timely manner once the scam was reported.

So, taking everything into account, I don't think that Barclays need refund him the money he has lost under the CRM code.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 9 July 2025.

Claire Pugh
Ombudsman