

The complaint

Miss M complains Barclays Bank UK PLC (“Barclays”) won’t reimburse the money she paid to a third party for a dress she ordered but when it arrived, she wasn’t happy with the design and fitting.

What happened

The circumstances that led to this complaint are well known to both parties, so I won’t repeat them in detail here. But, in summary in August 2024 Miss M told us she purchased two dresses from a business I will refer to as M in this decision. Miss M discovered M on a social media platform. Communications moved to a separate messaging platform to discuss her requirements. However, Miss M says M sent the wrong dress, nothing like the design she’d ordered. Miss M complained to M but says they didn’t offer a compensation method and blocked her. Miss M subsequently discovered that M instructed her to send her money to a personal account from another customer that had previously bought items from M. She also discovered M was based abroad.

Miss M complained to Barclays, but Barclays declined to refund her as they said this was a buyer seller dispute and not a scam as she had been provided with a service and a product, albeit one she was unhappy with.

Miss M brought her complaint to this service. Our investigator did not uphold the complaint. He deemed this to be a civil dispute and not covered by the Contingent Reimbursement Model (CRM) Code.

Miss M did not agree as M made false promises. The compensation method never took place and the fact she removed Miss M from the messaging group is something a scammer would do.

As the complaint could not be resolved informally, 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.

Having done so, I don’t think it would be fair to require Barclays to refund the money Miss M has lost. I’ll explain why below.

When considering what is fair and reasonable, I’m also required to take into account: relevant law and regulations; regulatory rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

Where I can’t know for certain what has happened, I need to weigh up the evidence available and make my decision on the balance of probabilities – in other words what I think

is more likely than not to have happened in the circumstances.

I'm sorry to hear about the situation Miss M has been left in. She has paid money to a third party for a dress, yet from what she has said, the dress wasn't to the specification she ordered, and M has not provided a replacement as promised or refunded her and has ultimately stopped communicating with her.

It's clear that Miss M feels strongly that M has tricked her. From her perspective, M took her money and sent items that differed in quality and design. But I don't have the power to decide any dispute between Miss M and M. My role is limited to looking at whether Barclays has treated Miss M fairly.

Barclays didn't contract with Miss M for the dress she wanted, and I can't hold it responsible for any breach of contract or other failings on the tailor's part. And there are a number of potential reasons (other than a scam) for the breakdown in a relationship between two parties for a dispute to exist. And unfortunately, businesses can fail or be mismanaged such that contracts are breached and agreed goods and services aren't provided. But that doesn't necessarily amount to evidence of an intent to commit an APP scam.

As a starting point in law, Miss M is responsible for payments she's instructed Barclays to make. Unfortunately, there's little protection available to her for bank transfer payments, like this.

Barclays was under a range of other duties and obligations at the time, including to be on the lookout for payments that were unusual or out of character with the aim of preventing customers from falling victim to fraud and scams.

It was also a signatory to the CRM Code at the time the payment was made. In certain circumstances, the CRM Code can entitle a customer to be reimbursed by banks or building societies after they've fallen victim to an APP (authorised push payment) scam.

I've thought about whether Barclays has any obligation to refund the losses as a result of the CRM Code that it was signed up to.

However, the CRM Code is quite explicit that it doesn't 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 determine whether Barclays should refund the money Miss M lost under the CRM Code, I need to consider whether Miss M has been the victim of a scam – or, in other words, whether M set out from the beginning with the intent to deceive her with no intention of providing the goods or performing their side of the agreement. But in this instance, Miss M bought a dress, and she did receive a dress - albeit it may have been defective in some way or Miss M was otherwise dissatisfied with the supplier.

I appreciate Miss M says M sent the wrong dress and she has explained it was very cheap looking and nothing like the design she had ordered. But I'm not persuaded that Miss M's transaction with M can be considered a scam under the CRM Code. This very scenario is mentioned in the CRM Code as an example of a private civil dispute.

Miss M said she was added to a group where others had made orders. And I can see from the messages Miss M sent us that M did communicate with Miss M afterwards. As I understand it Miss M did not want to pay shipping costs to return the defective item. I think

these things suggest the seller was operating as a legitimate supplier, as I wouldn't expect a scammer to deliver orders to a number of people or to communicate about providing a replacement item after they had received a victim's money. I appreciate that never materialised either but from the communications and evidence I've seen – I think there was likely a breakdown in the communications between the parties.

I appreciate how Miss M feels about this case, but based on the evidence I have, I think it's more likely this was a purchase from a legitimate supplier that ultimately went wrong. Whilst I appreciate some evidence is indicative that M might be of poor character, acting unprofessionally and may have misrepresented things; it does not necessarily show in relation to the specific transaction carried out in this particular case that it was made to an APP scam. I don't think M set out from the beginning with the intent to defraud Miss M, or that she was the victim of an APP scam.

So, I don't think the payment Miss M made to M is covered under the CRM Code, or that Barclays should be required to refund the money she paid.

I sympathise with the position Miss M has found herself in, and I'm in no way saying she did anything wrong or that she doesn't have a legitimate grievance against M. But, for the reasons I've explained above, I don't think it would be fair to hold Barclays responsible for the money she paid.

My final decision

My final decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 22 October 2025.

Kathryn Milne
Ombudsman