

## **The complaint**

Mrs S complain Barclays Bank UK Plc (“Barclays”) won’t refund the money she said she lost to a scam.

## **What happened**

Both parties are familiar with the circumstances of the complaint, so I’ll only summarise the details here.

Mrs S made four payments totalling £155,000 between October 2018 and September 2019 towards a property development investment that she now believes to be a scam. Mrs S said she understood the investment to be safe and that her funds weren’t at risk and she was promised a 15% return. The evidence shows Mrs S received some returns on her investment.

Mrs S complained to Barclays and said it didn’t look into things, so she raised the matter with the Financial Ombudsman Service. One of our Investigators looked into the complaint and didn’t uphold it. They weren’t persuaded Mrs S had been the victim of a scam and rather she paid a legitimate company.

As an 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.

I would like to say at the outset that I’ve considered this case on its own merits and have summarised it in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. It’s simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Mrs S was the victim of a scam and if Barclays is responsible for the loss she claims to have suffered.

I’m sorry to hear of what’s happened to Mrs S and the impact it’s had on her, and I understand why she feels the money should be refunded. However, I don’t find that Barclays has acted unfairly in processing the payments and deciding not to refund her money. I’ll explain why.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Barclays is expected to process authorised payment instructions without undue delay. But they also have long-standing obligations to help protect customers from financial harm from fraud and scams. Those obligations are however predicated on

there having been a fraud or scam. And so, it would only be reasonable for me to consider whether Barclays is responsible for the loss Mrs S claims to have suffered if, indeed, she has been scammed. I've therefore considered whether Mrs S was the victim of a scam.

Whether someone has been scammed, or the matter is a civil dispute can be finely balanced. In this instance Mrs S knowingly made the payments, so they are authorised push payments (APP). But for me to be satisfied someone has been the victim of an APP scam, I need evidence to show the customer has been dishonestly deceived about the purpose of the payments at the time they were made. Having considered the evidence here, I'm not persuaded Mrs S has been the victim of a scam and I think the matter is a civil dispute.

I'm aware the investment company completed multiple projects which suggests it used investors funds as it stated and as was expected by the investors. This isn't typical of a scam. The company went into liquidation and the liquidator investigation hasn't provided us with any evidence to show the company was operating a scam. Based on the evidence I've seen, I'm not persuaded that Mrs S has been the victim of a scam because I've not seen enough to show she was dishonestly deceived about the purpose of the payments at the time they were made.

It could be said the value of the payments meant Barclays ought to have intervened prior to processing them. I believe on balance had Barclays intervened it wouldn't have prevented Mrs S from making the payments. I say this because neither she nor Barclays had identified sufficient cause for concern that the investment may have been anything other than legitimate at the time. I think had Barclays intervened to understand the circumstances of the payments Mrs S would more likely than not have been able to provide reassurances about the investment. As mentioned, it had completed previous projects and I'm aware the company was registered on Companies House which will also have been reassuring to both parties. I'm therefore not persuaded intervention from Barclays would have stopped Mrs S from making the payments.

I've also checked the official organisations that publish warnings about merchants that operate in the UK and abroad, to check if there were any warnings about the investment company that ought to have triggered Barclays's fraud prevention systems. I've searched the Investor Alerts Portal of the International Organization of Securities Commissions, the international body that brings together the world's securities regulators. As well as the Financial Conduct Authority (as the UK regulator) also has its own warning list in place to share alerts and insight about merchants that have been identified as potentially being fraudulent or at risk of scamming individuals. There were no such warnings about the investment company Mrs S paid. So, this is another reason why I don't think the payments ought to have been automatically prevented by Barclays.

I've also thought about the Contingent Reimbursement Model which Barclays is a signatory of. The code isn't a relevant consideration as it only applies where customers have been the victim of a scam, and as I've explained I find this matter is a civil dispute.

Barclays should protect their customers from fraud and scams – by looking out for unusual or suspicious payments and carrying out additional checks before processing them. But, as I've explained, these obligations are predicated on there having been a fraud or scam. And given I've concluded that these payments weren't made as part of a scam, these obligations don't apply here.

I'm sorry to disappoint Mrs S further but it would only be fair for me to ask Barclays to refund the payments if I thought they had been lost as the result of a scam and that Barclays was responsible for it. As I'm not persuaded that this was the case, I don't think Barclays needs to do anything further.

**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 Mrs S to accept or reject my decision before 16 October 2025.

Charlotte Mulvihill  
**Ombudsman**