

The complaint

Mrs W complains that Barclays Bank UK PLC (Barclays) won't refund payments she made as part 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 in summary, I understand it to be as follows.

In May 2020, Mrs W began corresponding with a third party (further referred to as Mr A) via an online dating website. The relationship developed, resulting in Mrs W sending funds to Mr A between June 2021 and February 2023.

In March 2023, the scam being perpetrated by Mr A was uncovered after her bank had invoked the banking protocol.

A few weeks later, Mr A got back in touch with Mrs W. They explained that they'd been lying about their identity, disclosed their 'true' identity and explained that they wished to repay the funds they'd taken from Mrs W. In order to assist with these repayments, Mr A asked Mrs W to make further payments.

Then, between May and November 2023, Mrs W made 45 payments totalling £102,214 to an account held by Barclays.

When Mrs W wasn't able to fund any further payments in November 2023, she contacted her own bank and Barclays as she believed she'd been the victim of a scam.

Barclays investigated the matter but didn't uphold Mrs W's complaint on the basis that they complied with all their regulatory requirements, including during the opening and operation of the account. They also stated that they acted in a timely manner in order to recover Mrs W's funds, which resulted in the return of £1,155.77 of her funds. Unhappy with this response, Mrs W referred their complaint to our service.

An investigator looked into Mrs W's complaint but didn't uphold it. Overall, they felt they'd acted in accordance with their legal and regulatory obligations as well as the Contingent Reimbursement Model (CRM) Code.

Mrs W disagreed with the investigator's findings, reiterating the complaint points she'd previously made. She also stated that she was unhappy with the way in which she'd been spoken to by a Barclays member of staff when dealing with her claim and complaint.

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.

Mrs W 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 on the points I find to be material to the outcome of Mrs W's complaint. This is not meant to be a discourtesy to Mrs W and I want to assure her that I have considered everything she has submitted carefully.

Though Mrs W had sent funds to Mr A between June 2021 and February 2023, it is only the payments made between May and November 2023 which form part of this complaint. 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.

It's important to note that Barclays has submitted information to our service which I can't share due to data protection issues as it relates to a third party. However, I have taken it into account in reaching an answer on this complaint.

Barclays are a signatory of the Lending Standards Board's Contingent Reimbursement Model (CRM) Code which requires firms to reimburse customers who have been the victims of authorised push payment (APP) scams. Further to this, banks and building societies have long-standing obligations to ensure accounts aren't opened, or being used, fraudulently.

The CRM Code states that 'Receiving Firms should take reasonable steps to prevent accounts from being used to launder the proceeds of APP scams. This should include procedures to prevent, detect and respond to the receipt of funds from APP scams. Where the receiving Firm identifies funds where there are concerns that they may be the proceeds of an APP scam, it should freeze the funds and respond in a timely manner.'

So, I've thought about these obligations when considering Mrs W's complaint against Barclays.

Account opening process

The Financial Ombudsman Service can only consider complaint about any acts or omissions against receiving banks in relation to account opening procedures from 31 January 2019, as this is the date this came into this Service's jurisdiction. I've seen evidence which shows that account complained about was opened prior to 31 January 2019. Because of this, I cannot make a finding on whether Barclays failed in their duties when opening the account.

Account activity

When considering Barclays' liability in relation to the monitoring of the account in question, I've reviewed the activity of the account and whether it was indicative of fraud taking place and whether Barclays ought to have stepped in and questioned the account holder.

While I can't share the details of what I've seen, I'm not satisfied there was any activity on the account which should've caused Barclays concern to the point I would've expected them to have intervened and questioned their account holder. Much of the account activity is in line with what I would expect of a genuine account and therefore did not give rise to suspicions that there was any fraudulent activity occurring.

As that's the case, I'm satisfied that Barclays acted correctly by not intervening on the account. I'm also satisfied that they didn't miss an opportunity to prevent Mrs W's loss.

I've also considered that Mrs W had paid other accounts prior to the payments that form this complaint against Barclays. This suggests that, even if Barclays had intervened and blocked this account, Mr A had access to other accounts and could've requested Mrs W deposit her funds there.

Ultimately, I don't think that Barclays blocking this account would've prevented Mrs W's loss as it seems likely Mr A would've requested payments to be made to another account they had control of.

Did Barclays act in a timely manner once made aware of Mrs W's scam claim?

When Barclays is notified that an account has received a credit resulting from an APP scam, I'd expect it to take appropriate action in a timely manner. This includes blocking or restricting the account while it investigates and, where appropriate, returning any funds that remain.

When Barclays received the fraud notification from the remitting bank, they took steps to recover the funds paid as part of the scam, which resulted in the return of £1,155.77 to Mrs W. Based on everything I've seen, I'm satisfied Barclays have acted fairly in recovering and returning Mrs W's funds.

Customer service with Barclays

I understand that Mrs W is unhappy with the way in which she was spoken to by a Barclays member of staff. But, it doesn't seem as though this issue has been raised formally with Barclays.

We can only consider complaints if the business being complained about has had the opportunity to investigate the matter first. As the customer service issue hasn't been formally raised with Barclays, and they've not had the opportunity to respond to these aspects of Mrs W's complaint, I've not considered them as part of my decision. If Mrs W wishes Barclays to consider these aspects of her complaint, she should raise them with Barclays directly.

That said, this wouldn't change their overall liability in relation to whether they ought to have prevented her loss at the time of the transactions or following the scam report being received.

Overall

Taking all of the above into account, I'm satisfied that Barclays acted in line with their legal and regulatory requirements when opening and monitoring the account in question. I'm also satisfied that they've acted fairly in recovering and returning Mrs W's funds.

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 W to accept or reject my decision before 6 June 2025.

Billy Wyatt
Ombudsman