The complaint

Mr and Mrs H complain that Barclays Bank UK PLC won't refund the money they lost when they were the victims of a scam.

What happened

In May 2024, Mr and Mrs H were looking to buy a lawnmower and found one they were interested in advertised on a social media platform. They spoke to the seller, were sent a number of photos and videos of the mower and then agreed a price to buy it and to pay for it to be delivered to them. So they then made a payment of £1,750 from an account they held with another bank to a Barclays account the seller gave them the details of.

Unfortunately, after the payment was made, the seller stopped responding to them. And so the delivery of the mower was never arranged and Mrs and Mrs H never received it. They then reported the payment they had made to Barclays as a scam, and asked it to refund the money they had lost.

Barclays investigated but said it didn't think it had made any errors in its operation of the receiving account. So it didn't agree to refund the payment Mr and Mrs H had made. Mr and Mrs H weren't satisfied with Barclays' response, so referred a complaint to our service.

One of our investigators looked at the complaint. They thought Barclays had acted correctly when opening and monitoring the account, and there was nothing it could have done to recover Mr and Mrs H's money. So they didn't think it should have to refund the money Mr and Mrs H had lost. Mr and Mrs H disagreed with our investigator, 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 don't think it would be fair to require Barclays to refund the money Mr and Mrs H have lost here. I'll explain why below.

I understand that this will be disappointing to Mr and Mrs H, and I appreciate that they have been the victims of a scam. But, unfortunately, being the victim of a scam doesn't automatically entitle a customer to a refund from the bank the money was sent to.

Barclays has signed up to the Lending Standards Boards Contingent Reimbursement Model (the CRM code). This code sets out what is expected of both the bank that sent the money and the bank that received the money – which in this case is Barclays.

In summary, the obligations for the receiving bank state it should:

- take reasonable steps to prevent accounts from being used to launder the proceeds of Authorised Push Payment (APP) scams

- have procedures to prevent, detect and respond to the receipt of funds from APP scams; and

- where the receiving bank identifies funds where there are concerns that they may be the proceeds of an APP scam, to freeze the funds and respond in a timely manner

So, with this in mind, I have carefully considered Barclays' obligations here.

Barclays has shared information with this service as part of its obligations under the CRM code, which has allowed me to investigate Mr and Mrs H's complaint. I am limited in what I can share with Mr and Mrs H due to Data Protection laws, as this information is confidential. But I can assure Mr and Mrs H that I have carefully reviewed all the information provided before issuing my decision.

Having looked at the information Barclays has provided, I can't say there was anything that should have caused it any concern about the way the account was opened or the information and identification it was provided. I also don't think there was any indication at the time that the account would be used for fraudulent activity.

Mr and Mrs H have questioned how Barclays allowed the account to be opened, given the status of the business they understood held the account they sent the payment to. And they've asked that our service share information about this with either them or the police. But, as I've explained, I don't think there was anything in the information it was provided with during the opening of the account that should have caused it any concern and I am limited in what information I can share with them or anyone else.

I've gone on to consider whether the activity on the receiving bank account ought reasonably to have caused Barclays any concern. Whilst data protection reasons mean I can't share any information with Mr and Mrs H, I don't think there was anything relating to the activity on the account that should have prompted Barclays to have any concerns prior to the payment Mr and Mrs H made into the account.

Finally, I've considered Barclays' action once it was notified of the scam. Barclays was first told about the scam around two weeks after the payment Mr and Mrs H made, and most of the money in the account had already been removed by this time. So I don't think anything it could reasonably have been expected to do would have led to any of their money being recovered.

I'm very sorry to hear of what has happened to Mr and Mrs H. They have been the victims of a cruel scam and I appreciate that this outcome will come as a disappointment to them. But, for the reasons I've set out above, I don't think Barclays has made any errors here or that it would be fair to require it to refund the money they lost.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs H to accept or reject my decision before 19 September 2025.

Alan Millward
Ombudsman