

## **The complaint**

Mr G and Ms P complain about Barclays Bank UK PLC.

They say that Barclays allowed an account to be opened by a scammer and would like to be refunded by Barclays as the receiving bank of their funds under the Lending Standards Board's Contingent Reimbursement Model (CRM) Code.

## **What happened**

Mr G and Ms P say that they fell victim to a rogue trader when they engaged the services of a firm I will refer to as 'L', and limited company, to complete extensive building works on their property.

Between October 2020 and September 2021, payments totalling £418,871.09 were made to an account held with Barclays, which Mr G and Ms P say were part of a scam run by L and its director.

They made a complaint to Barclays saying that it had allowed an account to be opened by a scammer, but Barclays didn't uphold it, so a complaint was brought to this Service.

Our Investigator looked into things but didn't think that Barclays had done anything wrong.

Mr G and Ms P 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'm not upholding this complaint for broadly the same reasons as our Investigator.

I know that this will be very disappointing for Mr G and Ms P as this has had a profound effect upon them and they have lost a lot of money to what they believe is a scam run by L and its director.

Barclays has signed up to the Contingent Reimbursement Model (CRM) Code. The CRM Code sets out what is expected of the 'Sending Firm' and 'Receiving Firm' (in this case

Barclays) when payments are made or received.

In summary, the obligations for the receiving firm state that firms 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 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, 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 G and Ms P's complaint – however I am limited to what I can share with them due to Data Protection laws, as this information is confidential.

However, I would like to reassure them that I have carefully reviewed all information provided before issuing my decision.

Complaints about receiving banks and any acts or omissions came into our jurisdiction from 31 January 2019. I've seen evidence from Barclays to show that the receiving bank account was opened after 31 January 2019. This means I'm able comment on whether there were any failings by Barclays when the account was opened.

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

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 G and Ms P, 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 being notified that Mr G and Ms P reporting to it that they had been the victim of a scam.

Finally, I've considered Barclays' actions on receipt of notification from Mr G and Ms P's bank that a scam may have taken place. From the information I have seen, by the time the alleged scam was reported, the money had already been removed from the account. So, there was nothing Barclays could have done to protect Mr G and Ms P's funds or prevent their loss.

I'm also satisfied that once it was notified of the alleged scam Barclays took appropriate action in a timely manner.

I am very sorry that Mr G and Ms P have lost so much money to what they say is a scam – but I cannot say that Barclays is responsible for any of their losses.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Ms P to accept or reject my decision before 21 November 2025.

Claire Pugh  
**Ombudsman**