

The complaint

Miss B is unhappy that Barclays Bank UK PLC ('Barclays') has decided not to refund the money she lost, to what she believed was an Authorised Push Payment ('APP') scam.

What happened

The background to this complaint is well known to both parties. So, I won't repeat everything again in detail here, but in summary I understand it to be as follows.

Miss B was looking to have some landscaping work done to her garden. Miss B had previously used the services of someone I'll call 'R' who was a carpenter and was someone she had known since 2020. Miss B contacted R and he recommended someone I'll call 'G'. R and G visited Miss B's property and quoted Miss B a price of £4,500 for the works.

Miss B made the following payments to R and G from her Barclays account:

Payment	Date	Payee	Amount
1	18 September 2024	G	£440
2	18 October 2024	G	£2,050
3	18 October 2024	R	£45
4	18 October 2024	R	£60
5	21 October 2024	R	£60
6	22 October 2024	G	£40
7	22 October 2024	R	£1,000
8	11 November 2024	R	£999
		TOTAL	£4,694

Miss B has also advised she also made some cash payments and paid for some materials from another account held at another banking provider.

R and G carried out work on Miss B's property – but Miss B was unhappy with the works carried out and ultimately had to contact another company to rectify parts of the work R and G had undertaken. And due to the level and lay of the garden, which was causing damage to her internal property, Miss B has since taken further steps in relation to works on her garden.

Miss B, unhappy with the actions of R and G and the work carried out, considered she had been targeted by two rogue traders and so reported the matter to Barclays to see if she could be reimbursed. Miss B only reported two of the payments she had made – payment two (for £2,050 on 18 October 2024 and payment seven (for £1,000 on 22 October 2024).

Miss B advised Barclays she was only disputing those two payments as the other payments were for the purchase of materials. But payments two and seven were for labour costs – which Miss B considered were obtained deceitfully by R and G given the level and quality of work carried out.

Barclays didn't consider it was liable to reimburse her and concluded that this was a private civil dispute between Miss B and R and G rather than an APP scam.

Unhappy with Barclays' response, Miss B referred her complaint to our service. One of our Investigators looked into the complaint and didn't recommend it should be upheld. In summary, our Investigator thought Barclays had acted fairly in reaching the decision it had.

Miss B disagreed with the Investigator's opinion and remained of the opinion that she had been scammed. Miss B considered the conduct displayed by R and G went beyond poor workmanship and involved false promises and dishonest behaviour that persuaded her to part with her money under false pretences.

As an agreement hasn't been reached, it 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.

First, I would like to clarify for Miss B's benefit the payments that I can consider within this final decision. Miss B only reported payments two and seven to Barclays. So, Miss B didn't raise a complaint about the other payments she had made from her Barclays account at the time she reported the matter. And Barclays provided its final response letter to Miss B in relation to those two payments. As the other payments Miss B made haven't been raised to Barclays, it hasn't had the opportunity to investigate and provide its answer in relation to those other payments – which it is entitled to do prior to the Financial Ombudsman Service being able to consider them. That means I am therefore unable to consider those other payments, and this decision focuses on the two payments Miss B did report and receive a final response from Barclays on, that being payments two and seven.

Miss B has provided detailed submissions, in bringing her complaint and in response to the Investigator's view, to support her contention that R and G were rogue traders that obtained monies from her fraudulently. I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here which is whether Barclays acted fairly in its answering of Miss B's complaint. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I'm very sorry to hear of what's happened to Miss B. She paid money in good faith and didn't get anywhere near the level of service one would expect and was clearly let down by R and G. I can see she feels strongly about what has happened and understandably so. But having considered everything, I can see no basis on which I can fairly require Barclays to refund the money Miss B sent. I can appreciate that this outcome is not the one Miss B was hoping for, and I can understand why she wants to try and recover this money. But having thought about Barclays' actions, I am unable to say it has responsibility for refunding the money Miss B sent. I will explain why.

In deciding what's fair and reasonable, I'm 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 time.

The starting position in law is that Miss B will generally be considered liable for authorised payments. It's accepted that she authorised the payments in dispute and so she is liable for them in the first instance.

However, a relevant consideration in this case is the Faster Payment Scheme – Reimbursement Rules ('Reimbursement Rules').

The Reimbursement Rules, which came into force on 7 October 2024 and apply to all UK-based PSPs, put a requirement on firms to reimburse APP scam payments made via the Faster Payments Scheme. However, the Reimbursement Rules don't apply to all faster payments. The rules have limits on what payments will be covered, and those limits are set out in the wording of the Reimbursement Rules.

The rules state:

"...It must have been made as part of an APP scam (whether to a recipient or for a purpose other than the payer intended);"

An APP scam is defined as:

"...Where a person uses a fraudulent or dishonest act or course of conduct to manipulate, deceive or persuade a Consumer into transferring funds from the Consumer's Relevant account to a Relevant account not controlled by the Consumer, where:

- *The recipient is not who the Consumer intended to pay, or*
- *The payment is not for the purpose the Consumer intended."*

Private civil disputes are also not covered by the Reimbursement Rules. The term private civil dispute is defined in the Reimbursement Rules as:

"A dispute between a Consumer and payee which is a private matter between them for resolution in the civil courts, rather than involving criminal fraud or dishonesty."

Our Investigator wasn't persuaded that what had happened to Miss B amounted to an APP scam as defined by the Reimbursement Rules.

Looking at the Reimbursement Rules' definition of an APP scam, Miss B paid who she intended to pay, so the only part of the definition of an APP scam that could apply relates to the purpose of the payment. That means I need to consider the purpose of the payment made. Miss B has explained that the payment she was making was for landscaping works. Then I need to consider the purpose the recipient (here that is R and G) had in mind, at the time of the payment, and whether this was broadly in line with what Miss B understood to be the purpose of the payment.

In the circumstances of this case, having reviewed all the testimony, information and evidence provided by both parties, I'm satisfied, on the balance of probabilities, that the intentions and purposes of the payment match here. Miss B paid for landscaping work to be carried out, and R and G tried to fulfil that purpose, as they did attend Miss B's property and carried out a considerable amount of work.

Miss B has provided lots of evidence such as photographs, which show the quality of works not being what one would expect and to a poor standard. But it does also show that R and G carried out the landscaping works. While the work carried out was arguably to a poor standard with some electrical elements being unsafe, as evidenced by the subsequent company that Miss B hired to carry out remedial works, any dissatisfaction with the lack of completion and/or the quality of the work that was carried out – is a civil dispute rather than an APP scam. This type of dispute isn't something that the Reimbursement Rules were designed to cover. The reason being that a dispute like this is more appropriate to be looked at potentially through civil means, such as court. A court would be best placed to determine what materials and labour costs have been incurred, the amount of work carried out to date against what has been paid, and the quality of the works. And this would be to determine what works are still outstanding or what amount is possibly owed – with both parties having the chance to provide their evidence to support their positions.

I accept that R and G were most likely sole traders/handy men who weren't operating at the standards required, such as having a clear formal arrangement or agreement of works in place. And the works that were carried out were clearly below the standards expected, and as a result R and G stopped contact with Miss B when she raised her concerns with them about the works carried out, as they likely didn't want to carry out any remedial work. But that in and of itself isn't enough to say that Barclays are liable to reimburse Miss B.

For me to say that Barclays would be required to reimburse Miss B – the definition of an APP scam as set out within the Reimbursement Rules needs to be met. The definition is that “...*The payment is not for the purpose the Consumer intended.*” Here Miss B made payments to R and G, with the purpose of those payments being for landscaping works. While R and G didn't provide a good standard of work and clearly had some poor practices – overall, the purpose that Miss B made the payments and the purpose R and G received the payments match. So, despite the poor practices and poor workmanship on R and G's part, what happened doesn't meet the definition of an APP scam as set out in the Reimbursement Rules. And any dispute about the quality of the work carried out, clearly isn't catered for within the Reimbursement Rules and is something that the two parties need to resolve themselves through alternative means.

I accept Miss B has lost out as a result of what happened, and she has been badly let down by R and G. But that in and of itself is not enough to say she's been the victim of an APP scam whereby Barclays would be liable to reimburse her. While I have natural sympathy for what happened here, I can only consider the actions of the bank in responding to Miss B's claim for reimbursement. Looking at what Barclays was required to do under the rules, it is simply the case that I don't think this scenario meets the Reimbursement Rules' definition of an APP scam.

As Barclays didn't need to consider this as an APP scam, then it didn't need to go on to seek the recovery of any funds from R and G. I'm also satisfied that there wasn't anything else Barclays could have done to prevent the loss here either, given the value and nature of the payments. And as the payments weren't made by debit or credit card, the various schemes available that offer protection to those methods of payments weren't available to Barclays or Miss B either.

I'm very sympathetic to the position Miss B finds herself in and I am sorry to have to deliver this news to her. But, for the reasons I have explained, I cannot fairly say that Barclays should fairly and reasonably be held responsible for refunding her the money she paid, and it is therefore something that needs to be resolved between the parties through alternative methods.

My final decision

For the reasons explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 5 January 2026.

Matthew Horner
Ombudsman