

## **The complaint**

Mrs B complains that Barclays Bank UK PLC did not prevent scam payments from being received into their customer's account.

Mrs B has a professional representative, but I will only refer to her throughout this decision for simplicity.

## **What happened**

Mrs B's son introduced her to an individual I will refer to as X for the purposes of this decision. Mrs B's son had met X at his previous place of work and went on to carry out some work directly for X and his company.

X was offering investment opportunities for property development. Mrs B says X asked her to provide investment in the form of a loan that would help fund the purchase of a house in poor condition. The house was for sale at £22,000 and X planned to carry out £22,000 worth of renovations with a view to make around £18,000 in profit overall. The newly refurbished house could then either be sold or rented out to generate the returns. Mrs B met X, spoke with him at length and visited some of his properties. When she was satisfied X and the investment was genuine, she transferred £13,000 from her Barclays account to X on 5 October 2020, and other family members invested at the same time.

X did send Mrs B's husband £5,000 on 29 April 2022, but she says this was after considerable chasing as it was needed to help fund the wedding of Mrs B's son. After this, they received no further returns despite promises from X they would be paid. Eventually, contact was cut and X declared bankruptcy in March 2024.

Mrs B raised a scam claim with Barclays, but they were unable to carry out a full investigation prior to the case being referred to our service. In their business file, they confirmed the account opening was outside of our service's jurisdiction, and they felt they had acted fairly and reasonable in the circumstances when they processed the £13,000 payment. So, they did not agree to reimburse Mrs B.

The complaint was referred to our service and our Investigator looked into it. Based on the evidence they had seen, they agreed the account opening was outside of our jurisdiction and there was nothing in relation to the activity on the account that we would have expected Barclays to intervene on. So, they did not agree a refund was due.

Mrs B disagreed with the findings and highlighted the size of her transaction was significant and she felt this should have been flagged by Barclays. Overall, she felt it was likely that Barclays failed to perform suitable due diligence in assessing the activity on the account

As an informal 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.

Barclays has signed up to the Lending Standards Board's voluntary Contingent Reimbursement Model Code (the 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 states firms should:

- Take reasonable steps to prevent accounts from being used to launder the proceeds of APP scams.
- Have procedures to prevent, detect and respond to the receipt of funds from APP scam; 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, I've considered these points.

Complaints about receiving banks and any acts or omissions came into our jurisdiction from 31 January 2019. Barclays has confirmed the receiving bank account was opened prior to this date, so I cannot consider the account opening as it is not within our jurisdiction.

I've gone on to consider whether the general activity on the beneficiary account should have given a Barclays cause for concern. Due to data protection issues, I cannot share the information I have been provided with Mrs B. But I want to assure her that I have carefully reviewed everything available to me, and I have taken into consideration all of the comments and evidence provided.

Having done so, I do not think Barclays should have had any concerns about the account prior to the transactions occurring on them, or in relation to the specific payments and subsequent activity. So, I don't think Barclays could have done more to prevent Mrs B's loss at the time.

I've finally considered what Barclays did once they were notified of the scam claim. As this was over four years after the initial payments were made, there were no funds remaining for them to return if they agreed a scam had occurred in the circumstances.

### **My final decision**

I do not uphold Mrs B's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 5 December 2025.

Rebecca Norris  
**Ombudsman**