

## The complaint

Miss H complains that Barclays Bank UK PLC (“Barclays”) won’t refund her money, which she believes she has lost to a scam.

## What happened

The background to this complaint is well known to all parties, so I won’t repeat it all in detail here. But in summary, I understand it to be as follows.

In or around September 2024, Miss H was looking for a decorator to carry some work out on her property. Her neighbours recommended somebody to her, who I’ll refer to as “P”. Miss H has said that P had decorated a number of properties in her street and that she’d inspected one of their jobs.

Miss H contacted P and having spoken to them and after a site inspection, a price was agreed for the work, which was schedule to start on 7 October 2024. On 18 October 2024, P asked Miss H for a partial payment of the amount agreed, due to him needing to make a payment to HMRC for tax liabilities. Miss H went ahead and sent P £1,300 on 18 October 2024, from the account that she held with Barclays.

Shortly after, P told Miss H that he had to travel abroad for a couple of weeks, due to his father being unwell. Miss H remained in contact with P but has said their return date kept getting pushed back. In April 2024, P told Miss H that he wouldn’t be returning and that she should find another decorator.

Believing she’d fallen victim to a scam, Miss H raised the matter with Barclays, but it did not consider it was liable for Miss H’s loss. In summary, this was because it thought what had happened was a civil matter.

Unhappy with Barclays’ response, Miss H brought her complaint to this service. One of our Investigators looked into things. But they agreed with Barclays that this was most likely a civil dispute, and so Miss H was not entitled to a refund of the payments she had made.

Miss H didn’t agree with our Investigator’s view. As agreement couldn’t 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.

Having done so and having thought very carefully about Barclays’ actions, I agree with the findings set out by our Investigator. I do appreciate how disappointing this will be for Miss H but, whilst I’m sorry to hear of what’s happened, I don’t think I can fairly hold Barclays liable for her loss.

When considering what is fair and reasonable in this case, I've thought about the relevant rules that were in place at the time this disputed payment was made. From 7 October 2024, Payment Services Providers in the UK, like Barclays, have been bound by the Faster Payments Scheme reimbursement rules ("Reimbursement Rules"). Under these rules, most victims of Authorised Push Payment (APP) scams should be reimbursed – but "private civil disputes" are not covered.

I've therefore considered whether what has happened between Miss H and P meets the Reimbursement Rules' definition of an APP scam or could more reasonably be classed as a civil dispute. The Reimbursement Rules define an APP Scam 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"*

By contrast, a private civil dispute is defined 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"*.

So, in order to consider what has happened here as an APP scam, I would need to be satisfied that it involves criminal deception. The evidence for this would therefore need to be convincing.

Miss H paid P, and I've seen nothing to suggest that this was not who she intended to pay. So, Miss H cannot be said to have paid a recipient she did not intend to pay, as per the definition above.

Miss H's purpose for the payment was for decorating services, and while I don't doubt that she didn't receive all that she paid for, the evidence I've seen suggests that P was more likely than not a legitimate trader, who intended to provide the service Miss H had paid for.

I say that as P came recommended by Miss H's neighbours and it seems clear that there had been a number of people known to Miss H who had used P's services and been satisfied with them. All of this makes it appear likely that P was providing legitimate services, at least at one point.

Alongside this, I've seen P's bank statements. Whilst I can't go into specific detail about what those statements show, I can confirm that there is activity on the account which is consistent with what you would expect from a decorator. This supports that P didn't have a different intention for the money they received. I'm also aware that there had been no other concerns raised about the activity on P's account. Typically, if somebody were running a fraud, you'd expect to see other concerns raised – but that isn't the case here.

Miss H's submissions on whether P carried out any work have been inconsistent. On the one hand, when reporting the matter to Barclays she explained to it that P had carried out some work and that she'd only asked them to refund her £700 (as she estimated the work P had done to be worth £600, which she had based on the highest quote she'd received for that work). On the other hand, she later said that no work had been carried out. On balance, based on what Miss H told Barclays, when matters would have been freshest in her mind, I think it more likely than not that P did carry out some work – albeit I don't doubt that it wasn't completed.

I acknowledge that Miss H did not ultimately receive all that she had paid for, but there are many reasons, other than fraud, why a trader may fail to meet their commitments. They may act unprofessionally or may get into financial or personal difficulties (which is the reason P gave to Miss H, that their father was unwell) that mean they are unable to meet their obligations to customers. But it doesn't automatically follow that this demonstrates an intent to defraud. The evidence here lends itself more to the notion that a genuine trader has run into circumstances that have meant they have been unable to fulfil their commitments, as opposed to an intent to commit fraud.

Overall, I've not seen persuasive evidence that P set out to defraud Miss H. So, having thought very carefully about all that Miss H has said, and about the evidence provided by all parties to this complaint, I'm not persuaded that I can safely say with any certainty that P set out with an intent to defraud Miss H, or did not intend to fulfil the purpose they agreed with Miss H for the transaction.

I know this will be a huge disappointment to Miss H, and I appreciate how strongly she feels about this case. But for the reasons I've explained above, I do not consider that it was unreasonable for Barclays to decline Miss H's claim under the relevant Reimbursement Rules.

### **My final decision**

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 H to accept or reject my decision before 6 March 2026.

Stephen Wise  
**Ombudsman**