

## The complaint

W, a limited company, complains that Barclays Bank UK PLC didn't refund the full amount it lost when it was the victim of a scam, and about the customer service it received when reporting the scam.

## What happened

W is a limited company that deals in the sale of cars. In November 2024 it had sold a car for a client and so was communicating with them in order to arrange to send them the proceeds of the sale. W then received an email which appeared to be from the client and included details of their bank account for the payment to be made to. And W then made two payments to these bank details, as set out below:

Date	Amount
20 November 2024	£50,000
20 November 2024	£50,000

Unfortunately, we now know the email W received had been intercepted by a fraudster and the bank details had been changed so the payments went to the fraudster, rather than to the client. After this was discovered, W reported the payments to Barclays and asked it to refund the money it had lost.

Barclays investigated and refunded £85,000 to W. It also paid £200 as compensation for poor customer service W had received when making the claim. But it didn't agree to refund the remaining £15,000 W had lost. W wasn't satisfied with Barclays' response, so referred a complaint to our service.

Since our involvement, the remaining £15,000 has now been returned to W's account. Our investigator also recommended Barclays pay interest on the £85,000 refund from the point they felt it should have refunded it until it was refunded, and pay W a further £300 compensation. Barclays agreed with these recommendations, but W didn't agree 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.

The full £100,000 it sent to the fraudulent bank details has now been returned to W. But I've still considered whether I think Barclays acted reasonably in making the payments and responding to W's scam claim, in order to determine whether and to what extent I think Barclays is responsible for the period of time W was without these funds.

After W first reported the scam, Barclays contacted the bank the payments were sent to in an effort to recover the funds. But the bank the payments were sent to didn't initially return any of the funds, so Barclays then assessed W's scam claim in line with the relevant reimbursement rules.

The Payment Systems Regulator (PSR) introduced the APP Scam Reimbursement (ASR) rules on 7 October 2024 to reimburse consumers who are the victims of APP scams in certain circumstances. And it's not in dispute that the payments W made here are covered by these rules.

But there are limits on what firms are expected to refund under the rules, one of which is that firms are only responsible for reimbursing a maximum of £85,000 per claim. The rules say that, where a claim satisfies the criteria for reimbursement:

*“The value of the Reimbursable Amount to be credited to the Victim shall be the full value of all Reimbursable FPS APP scam payments, up to the maximum level of reimbursement and less any claim excess imposed.”*

And the PSR has confirmed that:

*“the maximum level that [firms] will have to reimburse victims of Faster Payments APP scams [is] £85,000 per claim”*

After assessing W's claim, Barclays reimbursed it the maximum amount covered by the ASR rules of £85,000. So I think Barclays did fairly consider W's claim under these rules.

In addition to its responsibilities under the ASR rules, I think Barclays should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

But while both payments were for significant amounts, it wasn't unusual for W to make payments of this amount from its account. W had made a number of payments for what I consider to be similar amounts to these payments in the previous months. It also wasn't unusual for W to send payments to payee it had never sent money to before. The payments didn't leave the balance of W's account at a particularly unusual level or use up a suspicious proportion of the available balance in the account. And they didn't form a pattern I would have expected Barclays to identify as particularly suspicious.

So I don't think it's unreasonable that Barclays didn't identify that W could be at heightened risk of financial harm from fraud as a result of these payments, or that it didn't take any further steps or carry out any additional checks before allowing them to go through. And so I don't think Barclays acted unreasonably in not agreeing to refund anything further, beyond the £85,000 it refunded under the ASR rules.

After Barclays provided the £85,000 reimbursement to W, the bank the payments were sent to responded that it had recovered some of the money and returned an amount to Barclays. But the amount the other bank returned was less than the amount Barclays had already reimbursed to W. So I think Barclays then acted reasonably in not reimbursing anything further to W at this stage.

During our service's investigation, it was discovered that the bank the payments were sent to still had access to the full amount of the payments. And, as a result, the remaining £15,000 has now been returned to W. But, from what I've seen, the information Barclays sent to the bank the payments were sent to when it initially tried to recover the funds was correct and it doesn't appear to have made an error in its efforts to recover the payments. So I don't think it would be fair to hold Barclays responsible for the period of time W was without the remaining £15,000.

Barclays has accepted that there were delays during its initial raising of W's scam claim, and that it didn't provide the initial £85,000 reimbursement under the ASR rules during the expected timeframe. So it has agreed to pay 8% interest on this refund from the date it should have initially been provided, 1 December 2024, until the date the reimbursement was provided, 17 January 2025.

Barclays has also accepted that the customer service it provided to W during its claim fell below the standard we would expect. And, having reviewed all the communication between W and Barclays during the claim and listening to recordings of the phone calls between Barclays and W's director, I think the total of £500 Barclays has now agreed to pay is fair and reasonable compensation for the inconvenience this poor customer service caused to W.

I appreciate that W has provided significant detailed evidence about the impact this scam and the poor service it received from Barclays has had on it and its director. But while I recognise this has been a very difficult time for W and I don't underestimate the impact what has happened has had, the ultimate cause of this was the fraudsters who intercepted W's client's emails, rather than Barclays. So I don't think it would be fair to hold Barclays responsible for the full impact this has had on W.

The directors of a company and the limited company itself are also separate legal persons – they are not one and the same. And something being experienced by the directors is not the same as that being experienced by the limited company. So while I don't doubt that this has been a very difficult time for W's director, it is W itself that is the complainant here and so I can only consider the inconvenience W itself has been put to when assessing any compensation I feel Barclays should pay. I cannot consider or make an award for personal distress W's director has suffered.

And so, taking this all into account, I think £500 is fair and reasonable compensation for the inconvenience W was caused by Barclays' poor customer service. I don't think it would be fair and reasonable to require Barclays to pay the level of compensation W has suggested.

### **My final decision**

For the reasons set out above, I uphold this complaint and require Barclays Bank UK PLC to:

- Pay W 8% simple interest on the £85,000 reimbursement, from 1 December 2024 until 17 January 2025
- Pay W a total of £500 compensation, if it has not already done so

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 20 February 2026.

Alan Millward  
**Ombudsman**