

The complaint

Mr F, on behalf of his limited company 'R', complains that Barclays Bank UK Plc won't refund the money he says he lost to a scam.

What happened

Mr F was looking to buy a van for his business. He saw one advertised online which appeared to meet his needs, Mr F paid a deposit of £1,000, and then a few days later paid the balance of £23,000 and received the van. Both these payments were made from R's Barclays account.

But Mr F then identified various issues with the van's condition, and with what he was told about it, that led him to believe that he had been scammed. Specifically:

- The van was supplied to him with an MOT, completed just prior to him receiving the van, but Mr F says that various faults present on the van mean it should not have passed an MOT.
- Mr F bought the van on the condition that it had a full service history, he now believes that the service history supplied has been faked.

Mr F contacted the seller to complain, but they responded via a legal consultancy disputing that there was any issue with the sale. They said the service history was supplied to them when they purchased the vehicle and that any issues with the MOT should be directed at the garage that carried out the MOT.

Mr F contacted Barclays to say that he believed he had been the victim of a scam. Barclays did not agree that it should have any liability for R's loss, it felt this matter was a civil dispute, and therefore not covered by the relevant reimbursement rules. Barclays did though pay Mr F £75 to recognise that it could have handled his claim better.

Mr F brought his complaint to this service and one of our investigators looked into things. But they agreed with Barclays that this was most likely a civil dispute, and so R was not entitled to a refund of the payments Mr F had made. Mr F remained unhappy, he maintains that he has been the victim of a scam as defined in the relevant reimbursement rules.

As the case could not be resolved informally, it's been passed to me for a 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.

Mr F has provided detailed submissions to our service in relation to this complaint. But I will focus in this decision on the points that I consider to be material to the outcome of the complaint, rather than responding to every single point made. I mean no disrespect by this, but I feel this is in keeping with our role as an informal dispute resolution service. I

nonetheless want to assure Mr F that I have carefully considered everything that has been submitted.

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 Mr F but, whilst I'm sorry to hear of what's happened, I don't think I can fairly hold Barclays liable for his 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 (FPS) and the CHAPS 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 Mr F and the seller of the van meets the reimbursement rules' definition of an APP scam or could more reasonably be classed as a civil dispute. The 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.

Mr F paid a company I will call 'AC', he says that he had believed he was dealing with a different company ('A') throughout the sales process and so was misled into paying a different company to the one he intended. I can understand Mr F's position here, but I don't agree. AC and A do appear to be closely linked, operating out of the same address, albeit with different directors. But I don't think that means that AC deceived Mr F into paying them rather than A. When Mr F was given the bank details for the account to pay, prior to each of the two payments he made, it clearly stated that this account was AC's account.

Mr F has said the details were blurred, and I agree that is the case for the first time they were sent, but they were clear enough for him to correctly enter the account details to make the payment, and the payment confirmation that he took a screen shot of and sent back to the seller clearly states the payment was to AC. The second time the payment details were sent they were not blurry, I think it was clear that the payee was AC, and if Mr F had any concerns about paying a different company to A I would have expected that to be raised at the time. So, I am satisfied that Mr F did pay who he intended to pay, and I don't consider that AC acted fraudulently or dishonestly in providing him with AC's account details. So, Mr F cannot be said to have paid a recipient he did not intend to pay, as per the definition above.

Mr F's purpose for the payment was to buy a van from AC, and he did receive that vehicle. However, I appreciate that there are various issues surrounding the sale of the van which have caused Mr F to doubt AC's motivations. Specifically, Mr F says that AC intentionally misrepresented the van as having a full service history, in order to induce Mr F to buy the van. Mr F says that this demonstrates that the purpose AC had for the payment did not align with the purpose he had for the payment.

I've thought carefully about the evidence that Mr F has provided, and it does seem that the service history supplied with the van may not be legitimate as the business detailed on that service history has said it did not service the vehicle, and the company that sold the vehicle to AC has said it was sold without a service history.

But having thought very carefully about all that Mr F 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, based on what I know and what the evidence shows, that AC set out with an intent to defraud Mr F, or did not intend to fulfil the purpose it had agreed with Mr F for the transaction.

I say this because while I acknowledge the concerns surrounding the validity of the service document, I don't think I can say with any certainty that AC is responsible for that document, or that it knew the document might not be legitimate when it sold the van to Mr F. I understand why Mr F feels it must be AC's responsibility, because third parties involved in the sale and service have told him they are not responsible for the document, but AC has also said it is not responsible for the document, and that it was supplied with the van, and there is no feasible way for our service – given our role here – or for the bank, to have interrogated the parties involved to uncover the truth of the matter. I also note Mr F's comments about the MOT, but that was carried out by an MOT registered garage, not by AC directly (and there is a process by which customers can make complaints about the actions of such a garage). And neither Barclays nor this service is in a position to forensically analyse the actions of any of the parties involved here; we must consider the evidence that is before us. And, in doing so, I've not seen persuasive evidence at this time to show that AC set out to defraud Mr F.

I acknowledge that there were issues with the vehicle, and that ultimately Mr F has been left out of pocket, and I'm not saying that there is no issue between Mr F and AC, clearly there is. But that does not mean that it would be fair to hold Barclays liable for Mr F's loss.

In my mind this situation more closely matches that of a civil dispute, which is not covered under the reimbursement rules. The Payment Systems Regulator in its published policy statement PS23/3 gives further guidance on civil disputes providing as an example:

"...such as where a customer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier."

I'm satisfied from all I've seen that AC was a legitimate supplier – it has a presence on Companies House, regularly submits the required paperwork to maintain that presence, and is authorised by the FCA. And, while I cannot share exactly what I have seen, we have received correspondence from AC's own bank confirming that no other scam claims have been raised against AC, which is not what we would expect to see if AC was not acting legitimately. So, I consider that the circumstances Mr F has described here do fit the example set out above, as he is dissatisfied with the goods supplied by a legitimate supplier. It follows that I don't feel I can reasonably say that the reimbursement rules apply here.

I know this will be a huge disappointment to Mr F. I appreciate how strongly he feels about this case, and that what has happened here has had a significant impact on him. But for the reasons I've explained above, I do not consider that it was unreasonable for Barclays to decline this claim under the relevant reimbursement rules, so I won't be asking it to do anything more here.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 11 December 2025.

Sophie Mitchell
Ombudsman