

## The complaint

Mr G complains that Barclays Bank UK PLC won't refund the money he lost when he was the victim of what he feels was a scam.

## What happened

In December 2024, Mr G was looking to get some building work done on a garden shed. He searched for builders online and found one who came out and gave him a quote the following day. And after checking reviews for them online, Mr G agreed for the builder to carry out the work.

Mr G then made a number of payments from his Barclays account to the builder, firstly for a deposit and then as the builder requested further payments or for further work it was agreed the builder would do. I've set out the payments below:

Date	Amount
14 December 2024	£2,500
16 December 2024	£2,000
16 December 2024	£800
18 December 2024	£1,800
29 December 2024	£2,600

Unfortunately, after the last payment Mr G made, he says the builder stopped coming to do the work as frequently and only a small amount of work was completed after this. The builder then ultimately stopped responding to him and the work was not completed. Mr G then felt he had been the victim of a scam and reported the payments to Barclays.

Barclays investigated but said it believed this was a civil dispute between Mr G and the builder, rather than a scam. So it didn't agree to refund the payments he had complained about. Mr G wasn't satisfied with Barclays' response, so referred a complaint to our service.

One of our investigators looked at the complaint. They didn't think the available evidence was enough to say what had happened met the definition of a scam. So they didn't think Barclays should have to refund the payments Mr G had made. Mr G disagreed with our investigator, 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.

In broad terms, the starting position in law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. However, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

The Payment Systems Regulator introduced the APP Scam Reimbursement (“ASR”) rules on 7 October 2024 to reimburse consumers who are the victims of APP scams in certain circumstances. However, the rules only apply where the customer has been the victim of an APP scam, which the rules define 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”*

The rules also specifically outline that private civil disputes are not covered. And a private civil dispute is defined in the 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.”*

In its published policy statement PS23/3, the Payment Systems Regulator gave further guidance:

*“Civil disputes do not meet our definition of an APP fraud as the customer has not been deceived [...] The law protects consumer rights when purchasing goods and services, including through the Consumer Rights Act.”*

It also provided an example of a civil dispute:

*“...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.”*

So in order to determine whether Mr G has been the victim of a scam as defined in the ASR rules, I need to consider whether the payments were made for the purpose he intended and then, if they weren’t, whether this was the result of fraud or dishonesty on the part of the builder.

I’ve thought very carefully about this and I think it’s a finely balanced matter in this case. But where the evidence available is unclear or inconclusive, I must make my decision on what I think is more likely to have happened, based on the evidence I do have.

I appreciate Mr G has said the builder hasn’t completed all of the work it was agreed they would carry out. But companies can fail to provide services they have agreed to carry out for a number of reasons, which don’t necessarily mean they were operating a scam. So I don’t think this is enough to say the builder never intended to carry out the work and was operating a scam here.

From what Mr G has said and the photos he’s sent us, the builder appears to have carried out at least some work on the garden shed, including fitting a new roof, installing new windows, rendering walls and adding electricity and lighting. And while I appreciate he has said the lighting fitted was incorrect, a reasonable amount of work has been done here and certainly more than just initial clearing or preparation and demolition work.

But I'd usually expect a scammer to do as little work as possible in order to get the maximum possible profit in the shortest period of time. So more work appears to have been done here than I'd expect from someone who never intended to complete the work, which I think suggests the builder did intend to complete the work here.

Mr G has suggested that the payments made to the builder for work on the patio roof, which he says was never started, should be separated from the payments made for the work on the shed, which was partially completed. But, while I appreciate that work on the patio roof was never started, when assessing the likely intentions of the builder I think it's important to look at their actions as a whole.

The bank the payments were made to has told us they haven't received any other scam reports against the account. I've also seen evidence relating to the account the payments were made to, and while I can't share any details of this evidence, I think it shows the account appears to have been run at the time as I would expect a legitimate tradesperson's account to have been run and doesn't suggest it was being used to operate a scam.

I appreciate Mr G has raised a number of issues about the behaviour of the builder, including that they demanded additional money soon after starting the work, intimidated him and tried to persuade him and his family members to have additional work carried out. But while I recognise this suggests the builder wasn't acting as I might expect a professional tradesperson to do, acting unprofessionally is not the same as operating a scam. And I don't think any of the issues Mr G has raised necessarily mean the builder didn't intend to carry out or complete the work.

I also haven't been provided with evidence of any investigation by an external organisation which concludes that the builder was operating a scam in relation to the payments Mr G made here.

So I'm not persuaded the available evidence is sufficient to safely conclude that the purpose the builder intended for these payments was different than the purpose Mr G intended, or that the payments weren't made for the purpose Mr G intended. I think it's likely both Mr G's and the builder's intended purpose for the payments was the same – to pay for the agreed work to be carried out – but that other factors ultimately meant the work wasn't completed.

And so I think Barclays has acted reasonably in saying the circumstances here don't meet the definition of a scam from the ASR rules, and in not agreeing to refund the payments Mr G has complained about.

I also don't think there are any other grounds on which it would be fair and reasonable to require Barclays to refund the payment Mr G made here.

I sympathise with the position Mr G has found himself in. I recognise he has paid for work that has not been completed, or has been completed to a standard he is unhappy with, and that my decision will come as a disappointment to him. I'm also in no way saying he did anything wrong or that he doesn't have a legitimate grievance against the builder. But I can only look at Barclays's responsibilities here and, for the reasons I've explained above, I don't think it would be fair to hold Barclays responsible for the money he has lost.

**My final decision**

For the reasons set out above, I don't uphold this complaint.

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

Alan Millward  
**Ombudsman**