

Complaint

Mr T is unhappy that Barclays Bank UK PLC didn't reimburse him after he reported falling victim to a scam.

Background

In early 2024, Mr T was looking to buy a van. He found an advertisement for a second-hand vehicle on a social media platform. As he did not have the full amount available upfront, he agreed with the seller that he would pay in instalments. Once he had paid a sufficient amount, he would be able to collect the van. Over a period of months, Mr T transferred a total of £3,000 to the seller. He then arranged for someone to collect the van using a flatbed tow truck. However, the van turned out to be too large to be safely transported on that vehicle. Shortly after this, the seller ceased all contact with him.

Mr T determined that he must have fallen victim to a scam and so he notified Barclays. It didn't agree to pay a refund. Mr T wasn't happy with that response and so he referred his complaint to this service. It was looked at by an Investigator who concluded that this was a private civil dispute, rather than a scam.

Mr T disagreed with the Investigator's assessment, so the complaint has been passed to me to consider and to issue a final decision.

Findings

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 legal starting point is that a bank is required to process payments and withdrawals that a customer has authorised, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account. Since Mr T authorised the payments in question, he is, in principle, liable for them. However, that is not necessarily the end of the matter.

At the time, Barclays was a signatory to the Contingent Reimbursement Model Code (the CRM Code), overseen by the Lending Standards Board. Under certain circumstances, the CRM Code required firms to reimburse customers who had fallen victim to authorised push payment (APP) scams. However, for Mr T to benefit from the protection offered by the CRM Code, the payments he made have to fit its definition of an APP scam. Its definition is:

"a transfer of funds across Faster Payments where ... (ii) The Customer transferred funds to another person for what they believed were legitimate purposes but which were in fact fraudulent."

In other words, to conclude that Mr T was the victim of a scam, it must be shown that the purpose for which he made the payments differed from the purpose for which the seller received them – and that this difference arose because of dishonesty or deception on the part of the recipient.

The key question, therefore, is what the seller intended at the time the payments were made. While I cannot know their intentions directly, I must examine the available evidence and determine what those intentions were likely to have been.

If the seller had intended to defraud Mr T from the outset, it appears unlikely they would have taken the steps they did to facilitate collection of the vehicle. In this case, the van turned out to be too large to be transported using the flatbed vehicle Mr T had arranged. There is nothing to suggest the seller could reasonably have anticipated that. If the seller never intended to allow Mr T to take possession of the van, then allowing the collection process to progress to that stage would have been an unnecessary risk.

I also agree with the Investigator that it would be unusual for the seller to have continued communicating with Mr T after receiving payment. There is no clear reason why a scammer, having already obtained the funds, would maintain contact. I've also had the opportunity to review evidence from the receiving bank – that is, the bank that operates the account controlled by the seller. I can see that this shows that the seller didn't take any steps to move funds on from that account once Mr T had made his payments. It can be possible for a bank to recover fraudulently obtained funds in certain circumstances, so fraudsters typically move money on as quickly as possible to frustrate those attempts. The fact that the seller didn't do that here suggests that he hadn't set out with the intention of defrauding Mr T.

In addition to that, the receiving bank confirmed that there were no other scam-related concerns or reports associated with that account. While not conclusive on its own, this makes it less likely that the seller was operating a scam and targeted only Mr T.

I don't say any of this to downplay what has happened here. Mr T made payments in good faith and expected to take possession of the van and that hasn't happened. It is possible the seller may have committed a different civil or criminal wrong by retaining money they weren't entitled to. They may have taken advantage of the situation once the attempted collection of the van proved unsuccessful. However, that does not mean the original payments were made as part of an APP scam. Unfortunately, there was nothing in the seller's actions to suggest that, at the point the payments were made, there was an intention to defraud Mr T.

Final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 10 March 2026.

James Kimmitt
Ombudsman