

The complaint

Mr A complains that Barclays Bank UK PLC trading as Tesco Bank ('Tesco') won't refund the money he lost after falling victim to a scam.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

In 2021 Mr A was trying to sell a van. He found a purchaser who said they were based in Holland. The purchaser told Mr A he had to pay for the courier costs before they would pay for the van. They then asked Mr A to cover additional costs and fees. The purchaser never completed the sale and Mr A didn't get back any of his funds.

These are the payments Mr A made as part of the scam. One of the payments Mr A made to B was returned to his account and is in italics below.

Date	Payment	Details of transaction	Amount
10.6.2021	1	Faster payment to B – a company	£1,040
11.6.2021	2	Faster payment to B – a company	£2,900
<i>18.6.2021</i>		<i>Credit received from B – a company</i>	<i>£2,900 cr</i>
18.6.2021	3	Faster payment to W – a money transfer service	£1,200
19.6.2021	4	Card payment to W – a money transfer service	£2904.90
26.6.2021	5	Faster payment to W – a money transfer service	£4,800
16.7.2021	6	Faster payment to W – a money transfer service	£2,000
17.7.2021	7	Faster payment to Y – an individual	£400
20.7.2021	8	Faster payment to D – an individual	£300

Mr A raised a fraud claim with Tesco in 2025, asking that they refund him. Tesco declined to refund Mr A.

Mr A wasn't happy with Tesco's response, so he brought a complaint to our service.

While the complaint was with our service Tesco reconsidered their position and refunded all of the payments, except for payment four.

An investigator looked into Mr A's complaint but didn't recommend Tesco refund his outstanding loss. The investigator wasn't satisfied that the evidence showed the reason each of the payments was made and whether they were connected with a scam.

Mr A disagreed with the investigator's opinion and asked for an ombudsman to review his case. Mr A says Tesco shouldn't have allowed the scam to happen. Tesco had concerns when he made the payment on 20 July 2021, but they should've had concerns on the first payment he made.

Having reviewed the case, I reached the same outcome as the investigator, but I wanted to address additional points. So, I issued a provisional decision explaining why and giving both parties a chance to respond before a final decision was issued.

My provisional decision

In my provisional decision “What I’ve provisionally decided – and why” section I said:

As Mr A has been refunded for all of the payments that he made, except for payment four, I will only address payment four in this decision. This is the outstanding loss that Mr A is still disputing Tesco should refund him for.

In deciding what’s fair and reasonable, I am required to take into account relevant law and regulations, regulators’ rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that Tesco is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account. Here it’s not in dispute that Mr A authorised the card payment he made on 19 June 2021. So, the starting point is that Tesco isn’t liable for his loss.

Having carefully considered all of the evidence, I’m not satisfied that Tesco should refund Mr A for payment four. I’ll explain why.

Mr A has provided evidence of invoices and emails which he says relate to the scam. However, these involve top ups and gift cards and don’t align to the payments he made from his Tesco account, or the reasons he’s given in relation to each payment. The chat messages Mr A has shared with us only start on 17 July 2021 and we have no evidence of communication between Mr A and the purchaser of the van prior to this date. We also don’t have any evidence of the adverts Mr A posted in relation to the sale of the van.

Based on the evidence. I’m not satisfied that Mr A has proven these payments were made as part of scam.

However, even if Mr A could provide satisfactory evidence that he was the victim of a scam, it wouldn’t change the outcome.

I say this because I’m not satisfied that Tesco should’ve intervened when he made payment four, or prior to payment four. While these payments represent a significant amount of money for Mr A, the first four payments weren’t so unusual and out of character that I would’ve expected Tesco to have identified an APP scam risk. The payments were spaced out and not made in quick succession (for example, within a matter of minutes of each other) as might be seen in the case of a scam. Also, the payment values individually weren’t sufficiently high that I would’ve expected Tesco to have been concerned.

Tesco has to find a balance between identifying payments which could be fraudulent and then responding appropriately to their concerns, while ensuring minimal disruption to legitimate payments. Based on the information available to them, I’m not satisfied that Tesco should’ve intervened when Mr A made the first four payments. For that reason, I’m not persuaded that Tesco should’ve prevented Mr A’s loss in relation to payment four.

Usually if a scam claim is raised in relation to a card payment, Tesco may raise a chargeback to try and recover the customer’s funds. However, there are rules that apply to

when a chargeback can be raised. Mr A didn't raise his scam claim with Tesco until 2025, which would've been outside the time limit set by the Card Schemes. So, Tesco couldn't have raised a chargeback in these circumstances. On that basis, I'm satisfied that Tesco couldn't have recovered Mr A's loss on payment four.

I'm really sorry that Mr A has suffered a financial loss and understand why he wants payment four to be refunded by Tesco. But, for the reasons given above, I'm not satisfied that Tesco can fairly be held liable for his outstanding loss.

My provisional decision was that I didn't intend to uphold this complaint.

Responses to my provisional decision

Tesco responded to say they agreed with the provisional decision and had nothing further to add.

Mr A didn't respond.

Under the Dispute Resolution Rules (found in the Financial Conduct Authority's Handbook), DISP 3.5.15, says, if a complainant (in this case Mr A) fails to comply with a time limit, the ombudsman may proceed with the consideration of the complaint.

As the deadline for responses to my provisional decision has expired, I'm going to proceed with issuing my 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.

As no new evidence or arguments have been given by either party, I see no reason to reach a different answer than in my provisional decision.

In summary, payment four is the only payment that Tesco haven't refunded. I'm not satisfied that Mr A has evidenced that payment four was made as part of a scam and I wouldn't have expected Tesco to have intervened when payment four was made. I also wouldn't have expected Tesco to have intervened prior to payment four, so I can't fairly say Tesco could've or should've prevented Mr A's loss.

For the reasons given above, I'm not satisfied that I can fairly ask Tesco to refund Mr A's outstanding loss.

My final decision

My final decision is that I don't uphold this complaint against Barclays Bank UK PLC trading as Tesco Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 11 March 2026.

Lisa Lowe
Ombudsman