

The complaint

Mr M complains that Barclays Bank UK PLC (“Barclays”) won’t refund him money, which he believes he has lost to a scam.

What happened

The background to this complaint is well known to all parties, so I won’t repeat it in detail here. But in summary, I understand it to be as follows.

In or around June 2025, Mr M was looking for a cleaner. He found one online, who I will call ‘D’ and contacted them. Mr M explained to D that he required a room to be cleaned that was in bad condition and that the cleaner would need face masks and special clothes. A price of £250 was agreed, with a deposit of £175 to be paid up front.

On 20 June 2025, Mr M paid D £175 from the account he holds with Barclays. However, when the cleaners arrived and saw the room, they thought the agreed price was too low for the work that was required. Mr M was unhappy and didn’t agree to pay D the revised fee. He complained to D who, after making some deductions for costs and money that it said it had paid its cleaners, refunded him £55 – but they didn’t agree to refund all of his money.

Believing he’d fallen victim to a scam, Mr M raised the matter with Barclays, but it did not consider it was liable for Mr M’s loss. In summary, this was because it thought what had happened was a civil matter.

Unhappy with Barclays’ response, Mr M brought his complaint to this service. One of our Investigators looked into things. But they agreed with Barclays, that this was most likely a civil dispute, and so Mr M was not entitled to a refund of the payment he had made.

Mr M didn’t agree with our Investigator’s view. As agreement couldn’t be reached the complaint has 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.

When considering what is fair and reasonable in this case, I’ve thought about the relevant rules that were in place at the time the 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 (“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 M and D meets the Reimbursement Rules’ definition of an APP scam or could more reasonably be classed as a civil dispute. The Reimbursement 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.”

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

“2.6 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.”

2.5 provides an example of when this might apply:

“...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 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. Having thought about this carefully, I’m not satisfied that the Reimbursement Rules cover Mr M’s payment.

There is no dispute here that Mr M paid the people he intended on paying, so the first part of the APP scam definition doesn’t apply here. I’ve therefore gone on to consider whether, as a result of dishonesty, the payment was made for a purpose other than Mr M intended. In order to be satisfied Mr M has fallen victim to an APP scam, I need to be persuaded D set out to defraud him.

The allegation of fraud is a serious one. While I can reach my findings on the balance of probabilities (rather than beyond all reasonable doubt for example), to find D did intend to defraud Mr M, I’d need to see convincing evidence to show fraud is the most likely explanation over any other possibility.

Here, the purpose of the payment was for D to carry out cleaning for Mr M. While I appreciate that Mr M has said the service wasn’t provided. It is clear from the evidence that D (or its cleaners) attended Mr M’s property with the intention to clean the room. So, while I don’t doubt what Mr M has said, in that work wasn’t completed for the agreed price, the evidence doesn’t support that D deceived Mr M about the very purpose of the payment (that being for a room to be cleaned).

It appears to me that the overarching issue, in the individual circumstances of this case, is that Mr M and D agreed a price for the work, without D having seen the room. But when D saw the room, it realised it had not quoted what it considered an appropriate amount for the work required, leading Mr M to be dissatisfied with D. This is covered in PSR guidance on civil disputes and doesn’t fall within the definition of an APP scam. So, I’m satisfied that Mr M’s claim isn’t one that the Reimbursement Rules apply to.

There are also a number of other factors that aren't typically seen in scams. D appears to be a legitimate company and whilst I can't go into specific details due to protection laws, information from the beneficiary bank (the bank to which the money was sent) doesn't indicate that there were any fraud concerns raised prior to this one, and the activity on the account is consistent with what you would expect to see for a company in the cleaning trade.

I understand that Mr D reported the matter to the police, who informed him this was a civil matter. While I'm mindful it isn't necessary for a criminal conviction to have been secured or for charges to have been brought for what happened here to meet the Reimbursement Rules definition of an APP scam - the fact that the relevant authorities appear not to be pursuing a substantive investigation into the allegations raised by Mr M suggests to me that the evidence presented does not, on its own, currently carry sufficient weight to support a finding of fraud.

Having thought very carefully about all that Mr M has said, and about the evidence provided by all parties to this complaint, I'm not persuaded, based on what I know and what the evidence shows, that D set out with an intent to defraud Mr M.

I know this will be a huge disappointment to Mr M, and I appreciate how strongly he feels about this case, and I don't doubt that he may have a grievance against D. But for the reasons I've explained above, I do not consider that it was unreasonable for Barclays to decline Mr M's claim under the relevant Reimbursement Rules.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 April 2026.

Stephen Wise
Ombudsman