

The complaint

Ms R complains about Barclays Bank UK PLC's actions when she fell victim to a fraudster and was left significantly out of pocket.

What happened

Both parties are familiar with the detail surrounding the scam, so I will not repeat that in detail here. But in summary, it is accepted that Ms R was the innocent victim of a scam in December 2020. She was tricked and coerced into making payments from accounts she holds to fraudsters. The fraudsters were also able to make some payments from her cards without her knowledge or consent.

Some of the payments were made from Ms R's UK accounts, and some from her account held in Jersey. For brevity, I will refer to Barclays Bank PLC Jersey Branch as 'Barclays Jersey', and to Barclays Bank UK PLC as 'Barclays UK'.

Barclays UK has reimbursed Ms R for the losses she sustained from her Barclays UK accounts, specifically including the unauthorised card payments. Ms R remains out of pocket for the money she lost through payments made from her Barclays Jersey account. She argues that Barclays UK has responsibility for those remaining losses. Barclays UK says it is not liable for the payments made from Ms R's Jersey account and says this is a matter for Barclays Jersey.

However, Barclays UK accepts it did reimburse Ms R's UK account for the losses she made from her Barclays Jersey account, but states this was done in error. It credited her account with the equivalent sum on 12 January 2021 and wrote to her the same day confirming this. But it then reversed the credit on 13 January saying later the credit had been made in error. The reversal of that credit took place before Ms R had spent any of those funds.

Ms R argues that Barclays UK should not have reversed this credit. She doesn't accept that Barclays UK is entitled to make such a reversal and doesn't accept its explanation that the original credit was made in error. She says in making that reimbursement, this represented the outcome of Barclays UK's investigation into her fraud claim and must stand.

I have separately set out my decision explaining why I do not have the power to consider all aspects of Ms R's complaint, specifically those aspects I consider relate to the payments she made from her Barclays Jersey account. But I explained that I was satisfied I could consider:

1. Barclays UK telling Ms R it would investigate the disputed payments made from her Barclays Jersey account, going on to tell her that having carried out that investigation it would refund her, and crediting those lost funds to her Barclays UK account.
2. Barclays UK then removing those funds and saying it had made the decision to reimburse in error.
3. Barclays UK's actions in relation to the other payments – in other words those made from Ms R's UK based accounts.

I issued my provisional decision on the merits of these aspects on 13 April 2022. In it, I explained why I didn't intend to uphold Ms R's complaint. An extract of that decision is set out below and forms part of this final decision:

Firstly, considering point 3 above, all of the money that was lost from Ms R's UK based payments (both authorised and unauthorised) was either blocked at the time or refunded in full and no loss now remains. As I consider Ms R's losses have already been fairly redressed here, I do not propose to require that Barclays UK should take further action on this point.

On points 1 and 2 above, Barclays UK acknowledges the information Ms R was given about it investigating the Jersey payments was an error. It similarly acknowledges the refund she was given and the letter she was sent were in error too. It has apologised for these errors and offered her £500 to recognise the distress and inconvenience she was caused as a result. But it doesn't consider those errors make it liable to return the money to her account, and it considers the relevant account terms and conditions permit it to remove funds credited in error to a customer's account.

Ms R doesn't accept Barclays UK's apologies or its offer of compensation. She believes Barclays UK is bound by the original reimbursement decision and was not entitled to later remove the money from her account.

I've thought carefully about what happened here. I find Barclays UK's explanation that the reimbursement was an error is plausible. I don't think this was something Barclays UK was liable for - for the reasons set out above I consider these payments were the responsibility of Barclays Jersey and not of Barclays UK.

I am also persuaded that Barclays UK was permitted to remove any funds credited to Ms R's account in error, given the terms of her account, and noting that it did so promptly and before Ms R had spent any of those funds.

It follows that I am not currently minded to require Barclays UK to return those funds.

I have also considered the impact these errors have had on Ms R. She has explained how she was already in a very difficult situation for other reasons. So, this error had a larger impact on her than it would likely have had on another person not facing similar challenges.

Barclays UK has offered Ms R the sum of £500 to reflect the impact on her of these errors. I know Ms R doesn't accept this as sufficient. But having considered all the circumstances and the specific errors here, including the relatively short duration before they were addressed, I consider Barclays UK's offer fair and reasonable. I am not minded to ask Barclays UK to do more.

Responses to my provisional decision

Barclays UK did not respond to my provisional decision.

Ms R did not accept the provisional decision. Below, I have briefly summarised the key points Ms R raised on these merits, although I would stress that I have taken everything she has said fully into consideration:

- Other organisations are still looking into what happened, including Action Fraud, the Channel Islands Financial Ombudsman, and Barclays Head Office;
- A friend and former colleague of Ms R had been reimbursed after having falling

- victim to essentially the same scam;
- Barclays UK's explanation that it had reimbursed her in error was implausible, because this would have been done after an investigation by a fraud team, which had concluded she was the victim of a fraud and being refunded on that basis.

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.

Before setting out my findings, I'd like to reiterate what I said in my provisional decision about how sorry I am to hear about what has happened to Ms R and the situation she now finds herself in. Ms R has comprehensively detailed the events surrounding the fraud she was entrapped by, and the impact this has had on her since. Her situation has been made worse by significant health worries and other circumstances. The loss of her savings as a consequence of this fraud has left her facing daunting financial problems.

As I said in that provisional decision, I do not underestimate the impact fraud has on innocent victims such as Ms R. Our investigator has provided details of other sources of support available to Ms R and I would again urge her to consider these if she has not already done so.

My role here is to determine whether Barclays Bank UK PLC should do more than it already has to put things right.

I have reviewed everything afresh, taking into consideration Ms R's further submissions in response to my provisional findings.

Firstly, I am satisfied that the ongoing investigations Ms R has referenced do not affect my ability to determine the merits of her complaint about Barclays UK, to the extent of the matters that fall within my jurisdiction.

While I've noted Ms R's comments regarding the reimbursement by Barclays Jersey of her friend and former colleague, that does not change my findings on Ms R's complaint against Barclays UK. I can only consider the evidence before me, in so far as it relates to Ms R's own case and in so far as it falls within my jurisdiction to determine.

I understand Ms R's frustration with Barclays UK's stated error in reimbursing her for losses from Barclays Jersey, then reversing the credit. I know she doesn't agree with my finding that Barclays UK's explanation on this point is plausible. But nothing Ms R raises leads me to a different finding on this point than I reached in my provisional decision on the matter and for the same reasons.

In summary, I see no reason to depart from my provisional findings, as set out above, which I consider fair and reasonable based on the facts before me. I do not require Barclays UK to do more than it has already offered to do.

My final decision

For the reasons given above, including those stated in the extract from my provisional decision, I consider Barclays Bank UK PLC has made Ms R a fair offer of compensation in respect of the distress and inconvenience caused by its handling of the matter. I do not require it to do more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or

reject my decision before 21 July 2022.

Stephen Dickie
Ombudsman