

The complaint

Mr F complains Barclays Bank UK PLC didn't do enough when he fell victim to an investment scam.

What happened

Mr F has an account with Barclays.

Between 6 April 2021 and 11 July 2022 Mr F made 48 payments to various cryptocurrency exchanges – in total he made payments of just over £40,000. He did so having been contacted on a well-known app by an individual claiming to work for a company connected to cryptocurrency. In fact, the individual contacting him was from a cloned company.

Mr F says he realised he'd been scammed when he was repeatedly unable to withdraw his balance. He contacted Barclays and subsequently asked a representative to help him recover the money he had lost.

Barclays investigated Mr F's complaint – and looked into a complaint about how it handled his case – and agreed that it could have done more when it spoke to him on 13 April 2021. So, Barclays offered to refund 50% of the payments he'd made from 14 April 2021 onwards. In addition, Barclays agreed to pay Mr F £200 in compensation given its handling of his complaint.

Mr F's representative complained to us saying that Barclays hadn't refunded 100% of Mr F's losses or explained its rationale for refunding 50%. They asked for a full refund.

One of our investigators looked into Mr F's complaint and said that they thought the steps Barclays had taken already were fair and that Mr F had ignored red flags. Mr F's representative disagreed and asked for Mr F's complaint to be referred to an ombudsman for a decision. His complaint was, as a result, 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.

I can see that Mr F invested before and after this scam, and that he continued making payments to cryptocurrency exchanges after reporting the scam. Barclays questioned why he was doing this, and I can see that Mr F confirmed those payments were genuine and not part of the scam he fell for.

Having looked through Mr F's statements I can see most of the payments he made were relatively small – his first three payments were for £250, £1,000 and £1,000 over a period of three days. Based on that alone, I wouldn't have expected Barclays to have intervened as the payments themselves weren't unusual compared to his normal activity. Barclays did, however, stop the fourth payment and spoke to Mr F. Barclays seems to have done so because there were other unusual features of the payment – the location data didn't match.

I've listened to the call between Barclays and Mr F on 13 April 2021 and I'm satisfied that Barclays not only asked Mr F lots of questions about the payments – not all of which he answered accurately – but that Barclays also warned him that it was concerned he was falling for a scam and why it was concerned. I agree that Barclays could have asked some additional questions, but I don't agree that Barclays didn't do enough to warn Mr F. I don't think it would have made much difference had Barclays said more too. I say that because in response to Barclays' warnings Mr F said he'd been sending payments to the payee in question for months – seemingly from another account – and that he was satisfied he wasn't falling for a scam. That's despite a number of red flags – for example, the investment starting off following contact out of the blue.

Given everything I've just said, I think Mr F was fortunate that Barclays intervened as early as it did and agreed to refund 50% of his losses from 14 April 2021 onwards. I appreciate that he has lost money and has been the victim of a scam. But had it not been for Barclays' intervention he could have lost even more. So, I'm not going to ask Barclays to do more.

My final decision

My final decision is that Barclays Bank UK PLC doesn't need to do more as I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 9 March 2024.

Nicolas Atkinson
Ombudsman