

The complaint

Mr D has complained that Barclays Bank UK PLC (“Barclays”) failed to protect him after he became the victim of a scam.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Mr D has used a professional representative to refer his complaint to this service. I’d like to reassure Mr D and his representative that I’ve considered everything they’ve both said, but I’ll only refer to Mr D throughout my decision.

In August 2022 Mr D was contacted on a popular messaging application by someone (“the scammer”) claiming to be looking for a different person. When Mr D told the scammer that they had the wrong number, they continued the conversation. After chatting for a few days, and having discussed various topics including cryptocurrency, the scammer suggested Mr D should invest in cryptocurrency.

Mr D opened two accounts on instruction of the scammer: one with a cryptocurrency exchange and the other with a cryptocurrency wallet. He was also provided with a link to a supposed “trading platform” for buying and selling cryptocurrency in order to make a profit.

Over the following few weeks Mr D sent several payments to the cryptocurrency platform, which he says he converted to cryptocurrency and ultimately transferred to the scammer.

Mr D made the following payments to the cryptocurrency platform:

Date	Amount (£)
10/08/2022	250.00
11/08/2022	3,000.00
11/08/2022	1,000.00
12/08/2022	3000.00*
13/08/2022	2000.00
19/08/2022	5000.00
23/08/2022	105.00
23/08/2022	4150.00*
30/08/2022	9800.00*
30/08/2022	100.00
31/08/2022	200.00
31/08/2022	7100.00
01/09/2022	4000.00*
01/09/2022	120.00

01/09/2022	5100.00
02/09/2022	1750.00
02/09/2022	1750.00
02/09/2022	2350.00
02/09/2022	3000.00

* Barclays contacted Mr D before these payments were made.

Mr D was asked to invest more on numerous occasions, but he refused to as he explained he didn't have enough money left. He says it was at this point that he realised he'd been scammed, as the behaviour of the scammer changed.

Mr D made a complaint to Barclays, which it didn't uphold. In summary, Barclays said:

- Mr D chose "investment/cryptocurrency" as the purpose of the first payment he made, which meant he was shown a specific warning. Mr D ticked a box to confirm reading this warning.
- Mr D didn't follow the guidance in the warning message to carry out sufficient checks before making the payment.
- Barclays spoke to Mr D on four separate occasions when it noticed the payments were out of character for him.
- Mr D was reluctant to provide information about the payments during all four calls, however he confirmed that nobody else was involved in the payments.

Mr D was unhappy with Barclays' response so he referred his complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. She explained that the warning Barclays had given to Mr D when he made the first payment was sufficient, and Mr D had confirmed that he had read the warning and was happy to proceed with the payment.

The investigator also listened to the phone calls between Mr D and Barclays that took place before the four payments set out above were released. She concluded that Barclays had asked sufficient questions, and appropriately probed Mr D to ensure he understood the action he was taking and the associated risks. She noted that Mr D was reluctant to provide much information to Barclays and in the first call he was somewhat resistant, stating "I can do whatever I want with my money... if I lose anything it's my business". The investigator concluded that Barclays asked clear probing questions but despite this, Mr D didn't always answer all questions fully or truthfully. With this in mind Barclays was limited in the amount of help it was able to offer, as it wouldn't have been able to accurately identify the situation that Mr D was in.

She went on to say that if Mr D *had* answered all of Barclays' questions accurately, it's likely that it would've identified that it was likely Mr D was being scammed and would lose money. This would've allowed Barclays to take further action.

As Mr D didn't accept the investigator's opinion, the case has been passed to me to make 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.

I'd like to start by explaining that I'm not making a decision on whether or not Mr D was scammed. There is no question about that and I'm sorry he's found himself in that position. But in my capacity as an ombudsman I can only look at the action that Barclays did or didn't take, and how that affected Mr D's situation.

I'm sorry to disappoint Mr D but having considered everything I'm afraid I'm not upholding his complaint, broadly for the same reasons as our investigator, which I've set out below.

Although Barclays didn't intervene during all of the large payments that Mr D made, from what I've seen and heard from the four in which it did, I don't think this made a difference to the way things turned out.

During the four phone calls that Barclays had with Mr D, the information Mr D gave was not entirely accurate. He told Barclays, on 12 August 2022, that he hadn't been approached by someone telling him what to do or offering to help him set up any accounts – which wasn't true. Having reviewed the messages between Mr D and the scammer, I can see the following from the scammer on 10 August 2022: *"I will guide you how to purchase USDT after the [Company B] registration verification is completed. [...] OK, open the [Company B] and we will start buying USDT... Open the [Company B] and let me guide you on how to make a purchase."*

During the first phone call I note that Barclays asked *"Do you need more time to research who you are paying? It's just that I've asked what research you've done and you haven't answered this. I've also made you aware of the risks of [Company B] and [Company S]. Are you satisfied that you've completed enough checks on the company you're paying?"* Following this, Mr D assured Barclays *"Yes I'm satisfied"*. He was then reminded that it was important to answer Barclays' questions truthfully, which he confirmed he understood, and his payment instruction was completed.

Mr D was also unwilling to expand his explanations or engage in a conversation with Barclays during the other phone calls. Our investigator noted that Mr D told Barclays he could do whatever he wanted with his money, and it was his business if he lost it. I'm satisfied that Barclays attempted to challenge Mr D sufficiently during the calls to make him aware of the risks, but as he was unwilling to engage with Barclays, it could only warn Mr D based on the information he gave it, which it did.

Based on this, I'm satisfied that Barclays did enough to warn Mr D about the risks posed by the situation he was in. Whilst there's an argument to say that Barclays *could* have intervened in more payments than it did, based on the four phone calls I've reviewed, I think Mr D would've shown the same determination to make the payments no matter how many times Barclays had warned him or intervened. With this in mind, I don't hold Barclays responsible for the losses Mr D has unfortunately experienced.

Mr D has mentioned the Banking Protocol during this case. Whilst the Banking Protocol is an arrangement in place between the financial services industry and the police to protect consumers from scam-related financial harm, it applies specifically to transactions made in person in banks' branches. So as these transactions were made online, it doesn't apply here.

Recovery of the funds

I've considered whether Barclays did enough to attempt to recover the funds once it was made aware of the fraud.

Having done so, I'm satisfied that Barclays did what it needed to here. Despite this, the funds had already been removed from the recipient's account when Barclays contacted it.

Whilst I may not have mentioned every point that Mr D and his representative have raised, I'd like to reassure them that I've read and thought about everything carefully. I'm very sorry that Mr D has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Barclays responsible for Mr D's losses.

My final decision

I don't uphold Mr D's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 5 September 2024.

Sam Wade

Ombudsman