

## The complaint

Mr C complains that Barclays Bank UK PLC didn't do enough to protect him when he was the victim of an investment scam.

## What happened

The details of this complaint are well known to both parties, so I won't repeat everything again here.

In brief summary, Mr C lost over £65,000 to an investment scam between July and November 2019. He complained to Barclays that it should've called him when he attempted to send the large transactions and said this would've unravelled the scam. Barclays accepted it should've intervened on Mr C's payments as they were out of character due to the large sums he was sending. But it said he should also take responsibility for the loss, so it refunded him 50% of his losses plus 8% simple interest.

Mr C brought his complaint to our service via a representative. They argued he did appropriate due diligence and so should not be held 50% liable. Our investigator didn't uphold the case. She said that she didn't think an intervention would have unravelled this scam. Mr C disagreed and asked for an ombudsman to review the case. I corresponded with Mr C's representatives upon allocation of it to me, and am now ready to issue a decision on this case.

## 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.

Barclays has set out in its Final Response why it considers the payments Mr C made to this scam should've flagged as suspicious. I agree with this reasoning, and in any event this isn't in dispute. What is left to decide in this case is whether Mr C is due a full refund of the payments he made, or if the 50% offer Barclays has paid is fair.

Mr C has insisted that the scam would've been discovered if Barclays had intervened at the beginning. His representative has set out that "*effective warnings and contextualised questions*" would've allowed the scam to come to light.

Mr C's representative has provided a detailed account of the research Mr C carried out and all the reasons why he was convinced this scam was a genuine investment. And I accept this to be true, but due to this, I don't believe Barclays could've unravelled this scam.

I don't think there were any obvious 'red flags' Mr C missed that then could've been drawn to his attention by Barclays, or revealed by questions it asked. Up until Mr C refused to invest more funds, his testimony details how the scammers conducted themselves in line with how we'd expect a genuine firm to behave. There wasn't a warning up about them on the FCA website at that time. And as the product Mr C believed he was investing in was unregulated, Barclays wouldn't have directed him to the FCA website to check for regulation, as this

wasn't required.

Mr C's representative has provided examples of the questions Barclays could've asked, but in this case, I can't agree any of these would've uncovered this scam. Mr C has explained he'd received what seems realistic information about the profits he could make and the way these were presented to him was in line with how the market he was investing in worked. He was asked to download software that allowed the scammer to view his computer, but this was only used for the initial training environment. And Mr C was also able to successfully withdraw from the investment.

Ultimately, I have considered what, if anything, Barclays could reasonably have said to, or asked Mr C to unravel this particular scam on an intervention call. But based on the information we hold, I can't safely say it could've done anything in this case. I understand that Mr C has been the victim of a sophisticated scam and that he has lost a large sum of money, but I can't fairly hold Barclays responsible for refunding the remaining funds, when I'm not satisfied it would've been able to unravel this scam.

I have thought about whether there were any recovery options for Mr C in relation to the remaining funds, but he's explained that the scammer asked him to purchase the Bitcoin from legitimate suppliers to then use on their trading platform, so the party he paid is not the party who scammed him. This means that Barclays wouldn't be able to recover the funds, as the parties Mr C paid did provide the service he paid for and weren't scammers. From the information I hold it does seem as if Mr C did make a direct payment to the scam firm, but as this was made on a card several years prior to him raising the payments with Barclays, it would've been too late to recover these funds.

### **My final decision**

For the reasons set out above, I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 27 March 2024.

Amy Osborne  
**Ombudsman**