

The complaint

X complains about Barclays Bank UK PLC.

They say that Barclays didn't do enough to protect him when they became the victim of a scam and would like Barclays to refund the money that has been lost.

What happened

In November 2022, X came across an opportunity on Instagram for a fixed betting account supposedly with Bet365 – a legitimate betting company. X had used Bet 365 previously so believed that this was a legitimate opportunity.

X was provided with a contact, who told them that they had insider knowledge and that the 'wins' were guaranteed. They were told that they could earn around £30,000 per month.

X was provided with a video or photo of the supposed 'bet' winning. However, X was then asked to provide more money for settling taxes, fees and commission and was persuaded to take out loans to access the money they were told had been gained which supposedly totalled £130,000.

However, X had been scammed – and had actually been purchasing cryptocurrency that has been transferred to the scammer.

X made payments totalling £68,476.16 to the scam.

X complained to Barclays. It upheld his complaint in part and agreed to refund X 50% of the payments made from 24 November 2022 when X made a payment for £4,500 when it accepted it should have intervened with what X was doing. It paid X £31,337.10.

However, X remained unhappy and wanted all the payments returned. They brought their complaint to this Service.

Our Investigator looked into things and thought that Barclays offer was mostly fair – however they also thought that Barclays should include 50% of two transactions X made by faster payment that Barclays had not originally included in its offer – meaning Barclays should refund a further £275 to X.

Barclays agreed to do so, but X still maintained they wanted all the payments refunded. As an informal agreement could not be reached, the complaint has been passed to me to make a final 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.

It has already been agreed here that X has been the victim of a scam – and Barclays has already agreed that it didn't do everything it should have done and has made an offer to put things right. It has also agreed to add to its previous offer 50% of two faster payments X made as part of the scam totalling £275.

Therefore, all that is left for me to decide is if the offer Barclays has made is fair given the circumstances of X's complaint.

I've thought about Barclays response as to when it felt it should have intervened with the payments X was making – and I agree with the point it thinks it should have stepped in. I don't believe that the payments X was making before this time were significantly unusual or uncharacteristic enough for Barclays to have needed to get in touch with X and check that all was well.

I know X doesn't think that Barclays has been reasonable in deducting 50% of the refund it has paid to X – but having considered X's contributory negligence, I also think that this is fair given the information I have received. I'll explain why.

X has explained that they came across the opportunity via social media – which is not a legitimate platform for either betting or financial matters – and although they say that they thought that the individual was affiliated with Bet365, there doesn't appear to have been any effort to verify this information.

I also think that X should have had concerns about the supposed earnings of up to £30,000 per month – and that they were told of 'insider information' and 'guaranteed wins'. Such sums are highly unrealistic, and having used Bet365 for legitimate gambling previously, X should have been aware that wins are never guaranteed. X also doesn't seem to have asked why such bets were to be paid for in cryptocurrency either.

X also didn't receive any credits back from the bets supposedly placed for several months – despite being promised a monthly return, and I can't see that they questioned the need to pay more money in order to access the supposed profits. And while I don't know how or where X obtained the loans they say they took out to pay the fees they were told were due, I find it unlikely a legitimate lender would allow borrowing to fund gambling or purchase crypto.

Taking all of this into account, I think that there were enough red flags readily available that X should have had concerns about what they were doing, and they should have applied much more caution here than they did.

Therefore, I don't think that Barclays need do more than it has agreed to do by paying X the further £275 it has agreed to.

Putting things right

Barclays Bank UK PLC should now pay X £275, which is 50% of the payments not included in the original offer already paid to X. On top of this, Barclays should also pay X 8% simple interest from the date the payments were made until the date of settlement, less any lawfully deductible tax.

My final decision

I uphold this complaint in part. On top of what Barclays Bank UK PLC has already paid X, it should now pay X the further sum awarded as above, if it has not done so already.

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

reject my decision before 20 May 2024.

Claire Pugh
Ombudsman