

## **The complaint**

Mr D complains that Barclays Bank UK PLC didn't do enough to protect him when he fell victim to a bank impersonation scam.

## **What happened**

In April 2023, Mr D received text messages that told him his account was at risk and that he needed to move his funds. Texts relating to his Barclays account appeared in the same chain as other, genuine Barclays messages, so Mr D acted on the texts. He was provided with a cryptocurrency wallet to move funds to, under the guise of keeping them safe. Two payments for £3,000 left his Barclays account by debit card.

Mr D realised he'd been the victim of a scam and reported it to Barclays. It upheld his complaint and refunded him the second payment made. But it didn't agree it failed to prevent the first payment. Mr D disagreed and brought his complaint to our service. Our investigator didn't uphold it, so he asked for an ombudsman to review his 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.

I've considered longstanding regulatory expectations and requirements, and what I consider to be good industry practice for firms when processing payments. In line with this, Barclays ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Barclays accepts it should've intervened on the second payment Mr D made to this scam and has already upheld and refunded this. So my decision only concerns the first payment.

I have reviewed Mr D's account and the payments made because of this scam. Considering when they were made, their value and who they were made to, I consider Barclays should've had concerns about the first debit card payment of £3,000 he made on 24 April 2023, such that it ought to have made enquires of him before processing it. This is because of amount of the payment and that it was identifiably going to cryptocurrency.

Given what Barclays knew about the payment, I think that the circumstances at this point should have led it to consider that Mr D was at heightened risk of financial harm from fraud.

I consider a proportionate intervention in the circumstances would've been for Barclays to use the information it held about the payment Mr D was attempting and show him a relevant warning relating to common scams associated with this. In this case, that would've been for cryptocurrency investment scams.

However, having thought about the circumstances of this scam, I don't think Barclays could've prevented Mr D's loss had it appropriately intervened.

Mr D was falling victim to a bank impersonation scam and understood that the cryptocurrency wallet was controlled by Barclays and was designed to protect his funds. So I don't consider it would've concerned him that a cryptocurrency warning came up – and as he wasn't falling victim to an investment scam, the warning wouldn't have related to him. So I'm not persuaded Barclays could or should have prevented this loss with a proportionate intervention.

I have considered whether there are any ways Barclays could have recovered Mr D's money, but I don't consider it could have. The funds went to a genuine cryptocurrency merchant who would've provided this service, just not for the benefit of Mr D.

Mr D has raised wider concerns in his complaint in relation to Barclays actions and its security processes. But as our investigator set out to him, we are not the regulator. Our role is to look at individual cases, which we have done here. I have set out the actions I consider Barclays should've taken in this case, but I'm not persuaded it could've prevented Mr D's initial loss. I recognise Barclays did publish a warning about the kind of scam Mr D fell victim to after it had happened to him, but it's not for our service to dictate when it should do this – and it's entirely possible it was Mr D's case that contributed to it deciding it should publish a warning at that later time.

Mr D has also provided details of another case where we upheld all the payments. But Mr D made the scam payments by debit card, not bank transfer. So the case he has shared is not the same situation as his case, as that reimbursement code doesn't apply to card payments.

Mr D has undoubtedly been the victim of a cruel scam and I accept Barclays ought to have done more to try and protect him. But I don't consider any earlier, proportionate intervention would've prevented his loss of the first payment. And Barclays has already refunded the second payment Mr D made, as it accepts at this time it should've spoken to him and this would've unravelled the scam. I don't find there were any other failings on Barclays' part that would lead me to uphold this complaint, so I'm not directing it to do any more in this case.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 6 December 2024.

Amy Osborne  
**Ombudsman**