

The complaint

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

What happened

Mr B has an account with Barclays.

In 2020 Mr B says he was struggling financially as he'd been furloughed and was about to become a parent again. He says he spoke to a friend who introduced him to the idea of cryptocurrency and referred him to a company who could complete trades for him. He says he conducted research into the company and found nothing untoward, so he filled in an enquiry form online and was contacted by a broker shortly afterwards. Mr B says that the broker told him their main method of contact would be through a well-known messaging app.

Mr B says he was told he'd need to create an account in order to invest and that he'd need to send a £250 start-up payment. He did both, using his Barclays debit card in order to make the payment. He made that payment on 17 June 2020. Mr B says the broker he was speaking to showed him profits instantly in his account. He says the broker spoke to him every day and on 25 June 2020 convinced him to invest another £5,000 which again he paid using his debit card. Mr B says the broker stopped talking to him when he said he had used up all of his savings and couldn't make any further deposits. Mr B says he realised he'd been scammed at that point but didn't contact Barclays until 2023 as he wasn't aware he could report the scam. He did so in February 2023 with the help of a representative.

Barclays looked into Mr B's claim and said that it should have intervened when Mr B made his second payment as it was unusual when compared to his normal usage. So, Barclays agreed to refund 50% of the second payment – along with interest – saying that Mr B should share responsibility too. Barclays said that was because there was a warning in place on the FCA's register prior to Mr B's investment about the company Mr B had dealt with being a clone firm. In other words, a warning about a company claiming to be an authorised firm and sometimes quoting a real firm's details so as to appear genuine. Barclays also said Mr B had shared his card and log-in details. Mr B was unhappy with Barclays response and ultimately complained to our service saying that Barclays should refund all of the money he'd sent.

One of our investigators looked into Mr B's complaint and ultimately said that Barclays didn't need to do more as the steps it had already taken were fair. They agreed that the £5,000 payment was unusual but said that Mr B hadn't done enough due diligence so sharing liability was fair. Mr B's representatives disagreed and asked for his complaint to be referred to 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.

Last month I issued a provisional decision saying that I wasn't minded to uphold this

complaint either, albeit for additional reasons. In that provisional decision I said:

“Mr B didn’t contact Barclays to say he’d fallen victim to a scam until March 2023. In other words, almost three years after he says he fell victim to the scam. He said he couldn’t remember the name of the company, or the name of the scammer involved when he complained given that the scam had happened a long time ago. All Mr B said he could remember was that:

- *he was required to create a “Vantage account”;*
- *he made payments to “Vantage”; and*
- *“Vantage” was where he’d lost his funds from.”*

In addition, I said:

“Before we consider whether or not a business ought to refund a customer who’s been the victim of a scam, it’s important to see evidence that the customer has been scammed and that, for example, it isn’t a case of a failed investment. I can see in 2022 and 2023 that Mr B made more than one scam claim against Barclays, and that Barclays came to the conclusion that at least one of these claims was more likely to be a failed investment. In this case, I’ve seen no evidence to show that the payment Mr B made was to “Vantage Trades” – his statement simply refers to his payment going to “Vantage” – but that’s information that Barclays might well have given that the payments in question were card payments. So, in response to this provisional decision, I’d like to see evidence about who this payment went to and whether, in particular, it went to “Vantage Trades” or not.

We’ve asked Mr B for evidence of his communications with the scammer – this is often key in establishing whether a consumer has been scammed or not and also whether or not they should share responsibility. So, I’d also like to see that evidence.

At the moment, based on the limited evidence I’ve seen, I can’t say that it’s more likely than not that Mr B has been scammed, nor can I say that the refund Barclays has already paid wasn’t fair in the circumstances. Indeed, at the moment, the amount that Barclays has refunded appears to be more than generous.”

Mr B’s representatives replied to my provisional decision to say that they’d been attempting to contact Mr B to find out whether or not he had further information, but that he hasn’t provided any. In other words, we still haven’t seen evidence showing that Mr B has more likely than not been scammed. Barclays didn’t reply to my provisional decision.

Having reconsidered everything again, I have no reason to depart from my provisional decision. I'm, therefore, not going to uphold this complaint for the reasons I gave in that provisional decision.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 26 June 2024.

Nicolas Atkinson
Ombudsman