

The complaint

Mr F complains that Barclays Bank UK PLC won't refund the money he lost after he fell victim to an Authorised Push Payment ("APP") scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary, I understand it to be as follows.

In or around September 2023, Mr F received a message from an unknown contact. Mr F responded to the message, and established that it appeared to have been sent to him in error. But Mr F has said, to his surprise, the conversation continued and he began exchanging messages with who he believed to be a senior cryptocurrency trader. But unknown to him at the time Mr F was dealing with fraudsters.

The fraudsters tricked Mr F into making twelve payments from his Barclays account, totalling £17,142.82, for what he believed to be the purchase of cryptocurrency. But unfortunately, the funds ultimately ended up going to accounts that the fraudsters controlled.

Mr F realised he'd been scammed when he was unable to make withdrawals and the fraudsters continued to demand money. Mr F raised the matter with Barclays, but it didn't agree to uphold his complaint.

Unhappy with Barclay's response, Mr F brought his complaint to this service. One of our Investigator's looked into things, but didn't think the complaint should be upheld. In summary, our Investigator didn't think the first three payments Mr F made would have looked unusual in appearance to Barclays, so there was no reason for it to have been concerned.

Our Investigator went on to say that he could see Barclays had spoken to Mr F before the fourth and fifth payments. But it was our Investigator's view that despite warnings and questioning from Barclays, Mr F still wanted to go ahead with the payments and he was not persuaded that Barclays should have refused to put the payments through. Our Investigator added that he didn't think Barclays had missed an opportunity to trigger an intervention for the remaining payments that Mr F made.

Through his representatives, Mr F disagreed with our Investigator's view. In summary, Mr F didn't agree that Barclays went far enough with its intervention.

As agreement couldn't be reached, the complaint has been passed to me for 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.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter. If there's something I've not mentioned, it isn't because I've ignored it; I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having done so, I agree with the Investigator's conclusions for the following reasons:

- It isn't in dispute that Mr F authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Barclays is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.
- The first three payments made as part of the scam, were relatively low in value. I'm not persuaded there was anything about these payments, when compared to the typical activity on Mr F's account, that ought to have caused Barclays concern that Mr F may have been at risk of financial harm. As such, I'm satisfied Barclays didn't miss an opportunity to intervene at this point.
- The fourth and fifth payments were both for £2,000 in value and I can see Barclays did intervene on both of these payments and called Mr F. I think Barclays was right to intervene at this point - a pattern had emerged of payments to different payees and the value and frequency of the payments looked suspicious.
- I've listened to the calls that Barclays had with Mr F and I think the questions it asked were proportionate. Mr F explained to Barclays that he was making payments for the purposes of investing in cryptocurrency, that he had carried out his own research and he'd successfully made profits and been able to withdraw funds previously back into his bank account.
- Importantly, as well as this, when asked, rather than tell Barclays that he'd been contacted unexpectedly, Mr F told Barclays that he'd found the details of the broker through an online search. In not answering this question accurately, it impacted Barclays ability to effectively warn Mr F of the further risks associated with the payments he was making.
- I'm also mindful here that, while on the call to Mr F, Barclays took the time to check the name of the company, that Mr F thought he was dealing with, on the Financial Conduct Authority's register of firms and found it to be regulated.
- I've also considered the remainder of the payments Mr F made. The substantive amounts of the remaining payments were going to an existing payee (seemingly in Mr F's own name) and to a new payee that was again to an account in his own name. Given the conversations that Barclays had already had with Mr F and the answers provided, I don't think the activity on the account ought to have caused Barclays further cause for concern – so I don't think Barclays missed any further opportunities to uncover this scam.
- For the avoidance of doubt, even if I did think Barclays should have intervened further, in the individual circumstances of this case, I don't think it would have made a difference. I think it more likely than not Mr F would have been able to provide Barclays with plausible answers to any proportionate questions that it reasonably could have asked and I don't think this would have given Barclays any further cause for concern.
- Overall, in the circumstances of this case, I think Barclay's intervention was proportionate and it therefore didn't unreasonably fail to prevent Mr F's loss.

- I'm not persuaded there were any prospects of Barclays successfully recovering the funds Mr F sadly lost, given the money was ultimately used to purchase cryptocurrency from legitimate providers.

I'm sorry Mr F was scammed and lost this money. He has my sympathy. However, I can't fairly tell Barclays to reimburse him in circumstances where I'm not persuaded it reasonably ought to have prevented the payments or to have recovered them.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 March 2025.

Stephen Wise
Ombudsman