

The complaint

Miss T complains that Barclays Bank UK PLC ('Barclays') won't refund the money she lost as a result of an employment scam.

What happened

The background to this complaint is known to both parties, so I won't repeat all the details here. In summary, Miss T says:

- She was applying for work and was contacted on her messaging app by an individual (the scammer) claiming to be from a recruitment company about a job opportunity. She searched online and saw the company was legitimate. For the job itself, it was explained her role was to complete reviews to help vendors with product data and maximise sales. And that she'd earn a salary and commission for completing sets of 'tasks'.
- To make the scam more convincing she was given access to a 'work' platform, given some training, and added to a 'customer service' group for support if needed. As part of the process, she had to deposit her own funds to 'buy' the items she thought she was 'rating'. These deposits were paid in cryptocurrency which she bought by sending funds from her Barclays accounts, to her accounts with two other firms (I'll call 'M' and 'R'), and from there to crypto-exchanges. It was this cryptocurrency that was sent to the scammer.
- She received part of her 'salary' and 'commission' at first. But she was shocked when she was later told she had to deposit significantly more or she'd lose all her money. And she realised she'd been scammed when, having borrowed and sent more funds, she was again told she needed to pay much more still to access her funds.

A complaint was raised and later referred to our Service. Our Investigator considered it and didn't uphold it. In summary, he thought there was enough about the activity on one of Miss T's accounts for Barclays to have intervened and questioned her about a payment for £3,750 she made to 'M' on 29 June 2023. But he didn't think such an intervention would have likely brought the scam to light, given also what Miss T has said about how she was tricked by the scammer into thinking she wasn't to disclose the true reason for her payments.

As the matter couldn't be resolved informally it's been passed to me to decide.

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.

Having done so, I've reached the same conclusions as the Investigator and for broadly the same reasons.

- It's not in dispute that Miss T was scammed. It's also not in dispute that she authorised the payments from two of her Barclays accounts. So, although she didn't intend her money to go to a scammer, under the Payment Services Regulations 2017, Miss T is presumed liable for her losses in the first instance. And as the Supreme Court reiterated in *Philipp v Barclays Bank UK PLC*, banks generally have a contractual duty to make payments in compliance with the customer's instructions.
- But that's not the end of the matter. There are some situations where I consider that a firm (like Barclays), taking into account relevant rules, codes and best practice, should reasonably have taken a closer look at the circumstances of a payment – if, for example, it's particularly suspicious. And, in this case, I think it's arguable Barclays ought to have contacted Miss T to discuss the circumstances of her payment for £3,750 on 29 June 2023 looking at, for example, its value and the spending pattern that had developed.
- That said, even if Barclays ought to have done more here, it's also important to consider whether an intervention would have likely made a difference – and, on balance, I'm not persuaded it would have. This is because there's evidence to show Miss T was prepared to give incomplete information about the nature of her payments if questioned. In reply to the Investigator's outcome, she accepts she followed the scammer's instructions. I can't overlook that, in her scam report to Barclays, she said she'd made the scammer aware when payments had been blocked, that the scammer kept telling her to find another way to make payments, and that the scammer told her not to reveal the use of cryptocurrency for her payments to go through without issue. I can also see that when her other bank 'M' did block some payments, she reverted to the scammer and was told not to talk about "*crypto or investment*". She replied "*Ok*" and went on to tell 'M' she was making "*personal transactions*" and sending money to 'R' to buy "*goods*". There was no mention of her buying cryptocurrency as part of a job opportunity.
- I can't know for sure how things would have played out if Barclays had stepped in to ask Miss T about what she was doing. And I'm mindful the cover story Miss T was given may not have been particularly elaborate. But, despite our requests, Miss T hasn't provided more information so I can better understand, for example, the degree to which she was 'coached' by the scammer. In the circumstances, bearing in mind the evidence to suggest Miss T would have reverted to the scammer when payments were blocked and the instructions we know she was given; that the payments were sent to her accounts with 'M' and 'R' (which aren't exclusively crypto-providers); her comments that she "*believed everything [the scammer] said*"; and that she believed she needed to make the payments or she'd lose her money, I'm not convinced the scam would have come to light even if Barclays had asked her questions proportionate to the risk presented.
- In terms of recovery, a firm is generally expected to attempt recovery of lost funds once the scam has been reported. But, in this case, there would have been little prospect for successful recovery given the money was sent from Barclays to Miss T's other external accounts and then to the scammer by the time the scam was reported.

To summarise, I recognise Miss T was the victim of a cruel scam. But I can only uphold her complaint if I'm satisfied that any failings on Barclays' part made a material difference to what happened. For the reasons given, I'm not persuaded that they have.

My final decision

For the reasons I've given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 18 April 2025.

Thomas Cardia
Ombudsman