

The complaint

Mr A complains that Barclays Bank UK PLC (“Barclays”) hasn’t protected him from losing money he paid to one of Barclays’ customers as a result of fraud.

What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, Mr A has explained that from May 2021 to February 2022 he made three payments totalling £62,526.25 from accounts he held with third-party payment service providers to an account held with Barclays as a result of fraud.

Mr A subsequently complained to Barclays. Barclays didn’t reimburse Mr A’s lost funds, so Mr A referred his complaint about Barclays to us. As our Investigator couldn’t resolve the matter informally, the case has been passed to me for a 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.

First, let me say, if Mr A has lost this money as a result of fraud, despite any natural sympathy I might have, this loss would have been suffered due to fraudsters. I couldn’t reasonably ask Barclays to reimburse losses that resulted from the criminal actions of third parties unless Barclays’ acts or omissions unfairly resulted in Mr A’s loss. So what I have to decide is whether Barclays reasonably did enough to prevent, or respond to, the alleged authorised push payment (APP) fraud.

Barclays has shared relevant information with this service in confidence to allow us to discharge our investigatory functions and has provided that which is necessary for the determination of this complaint. But I’m also limited to how much of this I can share for the same reasons as Barclays. But I’d like to assure Mr A I’ve carefully reviewed everything before reaching my decision.

I appreciate Mr A may feel Barclays should refund his loss as it allowed fraudsters to open and operate an account. But as our Investigator explained we only have jurisdiction to consider Barclays’ actions here from 31 January 2019 onwards, and the account that received Mr A’s money was opened before then, so I can’t consider this.

However, like our Investigator did, I have considered whether there was anything from 31 January 2019 onwards, but prior to when Barclays was notified Mr A had been scammed, that reasonably ought to have alerted Barclays to the possibility of fraud. However, I’m satisfied from what I’ve seen that there wasn’t anything sufficiently suspicious here, such that Barclays ought reasonably to have been expected to have taken a level of action that likely would have prevented the payments Mr A made, nor Barclays’ customer’s spending of them, as a result of alleged APP fraud. So I can’t fairly say Barclays unreasonably missed an opportunity to prevent Mr A’s loss in this respect.

I'm also satisfied that Mr A's funds had already been spent from the recipient account by the time Barclays was notified of the alleged fraud in December 2023. And taking everything into account that I've seen here, unfortunately for Mr A I don't think it's unreasonable in this case that Barclays hasn't refunded his funds in these circumstances.

I understand Mr A will be disappointed, and I've taken on board everything he's said. However, for the reasons I've explained, I don't think Barclays unreasonably missed an opportunity to either prevent the alleged fraud or to have recovered the funds; nor do I think there were unreasonable acts or omissions on Barclays' part that could fairly be said to be the proximate cause of Mr A's alleged loss. I therefore don't uphold this complaint.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 8 April 2025.

Neil Bridge
Ombudsman