

## **The complaint**

Mr G complains that Barclays Bank UK PLC (“Barclays”) have failed to refund money that he lost as part of an investment scam.

## **What happened**

Mr G came across a company that purported to be an investment firm but was actually a scammer that I will call C. Mr G was persuaded to make a number of payments from his Barclays account to a crypto exchange. Apart from the first payment - that went directly to a company - it appears that the funds were then converted into crypto and were then sent to C.

Mr G made 69 payments between November 2020 to November 2021 via card payment alongside one transfer. These payments totalled around £45,000.

Mr G then tried to withdraw the “profits” that he had made and when he was unable to do so, he realised he had been scammed.

Mr G raised a complaint with Barclays, as he believed that it should have stopped him from making the payments in question.

One of our investigators looked into this matter and they decided that the payments were not indicative of a scam and therefore should not have been stopped by Barclays. She also did not think that the funds could be recovered via other means. She therefore did not uphold this complaint.

Mr G did not agree with these conclusions. So his complaint has been passed to me to issue 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

In broad terms, the starting position is that Barclays is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Barclays should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;

- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so, given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Barclays sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

In this instance, the transactions were not in isolation large enough, and the pattern of spending was not sufficiently indicative of a scam, to be considered unusual or sufficiently out of character, to have prompted an intervention from Barclays.

Mr G's representative says that the account was used infrequently; the payments sometimes increased; and multiple payments were sometimes made on the same day. So it says that the payments should've prompted Barclays to intervene.

Firstly, I accept that if Mr G had suddenly went from not really using his account to frequently sending large payments to crypto exchanges, it would have been an indication of someone being at an increased risk of fraud. But this is not what happened here. The payments Mr G made started small and were spaced out. And by the time that the payments increased in value, Mr G had by then a history of using his account to send funds to crypto exchanges without reporting any issues or problems in doing so. Also, the payments did not increase steadily in value. Some payments were larger (up to £2,400). But these were interspersed with smaller ones as well and whilst sometimes multiple payments were made on the same day, there were then gaps. I also don't think that there were enough payments on any one day, that were of a sufficient size to have prompted an intervention from Barclays. Finally, I am mindful that the payments were made between 2020 and 2021, when crypto scams were not as prevalent or well known.

So, having considered the payments Mr G made, I'm not persuaded there was anything that ought reasonably to have triggered Barclays's fraud monitoring systems, or that would have indicated he was in the process of being scammed. I therefore do not consider there to have been any obligation on Barclays to have intervened for the above payments.

So taking everything into consideration, I do not think that Barclays could have uncovered and prevented the scam.

I've also thought about whether Barclays did enough to attempt to recover the money Mr G lost. In relation to the debit card payments, I have not seen enough to say that a chargeback would likely have been successful given that all but one of the card payments were essentially a means to transfer funds to a crypto exchange which is what happened and in any event the payments were made too long ago under the chargeback rules. The contingent reimbursement model does not apply to the transfer, as it does not cover funds sent to an account in the same account holders name. So overall I don't think that Barclays could have recovered any of the funds.

I appreciate this will likely come as a disappointment to Mr G, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded that Barclays can fairly or reasonably be held liable for his losses in these circumstances.

### **My final decision**

My final decision is that do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 17 June 2025.

Charlie Newton  
**Ombudsman**