

The complaint and background

Mr and Mrs P complain Barclays Bank UK PLC ('Barclays') won't reimburse over £13,000 that was lost when Mr P fell victim to a cryptocurrency investment scam.

Our investigator didn't uphold the complaint. He didn't think any of the payments looked unusual or suspicious such that Barclays ought to have made additional checks before processing any of them.

Mr P has asked for the matter to be referred to a decision. He said the payments were being made in quick succession and as they were being made to a crypto provider, Barclays ought to have considered they carry an elevated fraud risk and contacted him about them. Mr P explained that on previous occasions Barclays had placed restrictions on his account as a result of his transaction activity. Mr P questioned why this did not occur this time.

Our investigator in response explained that from the information Barclays knew of the payments it wouldn't have known they were going to a crypto provider. It would have only known the payments were going to an account in Mr P's own name. And whilst Mr P's payment reference included the name of the crypto provider this is not something he'd expect Barclays to have picked up on, least of all when he wasn't satisfied the payments themselves looked unusual or suspicious.

Mr P acknowledged the investigators response but remained unhappy that he was at a financial loss. As such he still asked for the case to be referred to a decision.

Whilst the account in question belongs to Mr and Mrs P, for the purposes and remainder of this decision I will primarily make reference only to Mr P as he was the individual that fell victim to the scam itself.

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 taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Barclays ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mr and Mrs P's account history, and the payments Mr P made to the scam. Having considered when they were made, their value and who they were made to, I'm not persuaded Barclays ought to have found any of the payments suspicious, such that it ought to have made enquiries of Mr P before processing them.

When the payments were made, the payee name that featured (and as seen on Mr and Mrs P's account statement) named Mr P. But this wasn't the only identifying feature of the payments. Barclays would have also known where the payment was going to – and that would be identified by the sort code. In this case, the sort code the payment was being

made to belong to an electronic money institution that is regulated by the Financial Conduct Authority ('FCA') – Modulr FS. Therefore, I can't fairly and reasonably conclude Barclays would have known the payments were going to a crypto provider.

Mr P has argued that he named the crypto provider in his payment reference. But just as the investigator has explained this is not something we'd expect a financial business to pick up on as a matter of course and Barclays are expected to process payments and withdrawals that its customer authorises it to make. That's not to say it shouldn't pick up on them at all and I'd reasonably expect it to do so had there been other concerning factors about the payments.

I appreciate that Mr P has explained that Barclays have stopped payments in the past and questioned him before they were allowed to be made. But what I'm considering as part of this complaint is what happened when the disputed transactions were made. And for the reasons I've explained above I'm not persuaded Barclays ought to have found any of the payments suspicious, such that it ought to have made enquiries of Mr P before processing them.

Whilst Mr P has undoubtedly been the victim of a cruel scam, I don't find there were any failings on Barclay's part that would lead me to uphold this complaint.

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 P and Mrs P to accept or reject my decision before 16 June 2025.

Mark O'Connor
Ombudsman