

## The complaint

Mr O has complained that Barclays Bank UK PLC won't refund the money he lost after falling victim to a scam.

## What happened

Mr O was looking for work, and his partner recommended a firm offering remote work, which their friends were doing work for. They gave the firm Mr O's details, and the firm contacted him on a messaging platform. But the firm were actually scammers impersonating a legitimate e-commerce merchant.

Mr O set up an account on the scammers' website and was given tasks to complete. He was added to a group chat with other employees touting their success. He was asked to pay the scammers cryptocurrency to clear negative balances on his account, to unfreeze his funds, and to earn extra commission. Over the course of about a month, Mr O sent the scammers around £17,500 in crypto, by paying money from his Barclays account into his own crypto account, then sending it on to the scammers. Eventually, the chat grew quiet, and Mr O found he was unable to withdraw his earnings. He realised he'd been scammed.

Barclays didn't think it was liable for Mr O's loss, as he'd used crypto before so it felt the activity was in character for him.

Our Investigator looked into things didn't uphold the complaint. Mr O didn't agree, so the complaint's been passed to me to decide.

I sent Mr O and Barclays a provisional decision on 13 August 2024, to explain why I thought the complaint should be upheld in part. In that decision, I said:

*Our Investigator felt there wasn't enough evidence to conclude that this was a scam, but I don't agree. Mr O provided screenshots of the scammers impersonating the merchant, of the task process, and of them asking for crypto payments in exchange for bonuses. He provided screenshots showing he sent the crypto on. He provided clear, consistent, plausible, and detailed testimony, which fits well with descriptions of the same scam from other victims. And I've not found anything which makes me think this wasn't a scam. So I don't see that we have any good reason to doubt that he was scammed.*

*There's no dispute that Mr O authorised the payments involved, even if he didn't intend for the money to go to scammers. So under the Payment Services Regulations and the terms of his account, Mr O is liable for the loss in the first instance. But the matter doesn't end there.*

*Taking into account the law, regulator's rules and guidance, relevant codes of practice, and what I consider to have been good industry practice at the time, I consider that Barclays should have fairly and reasonably:*

- *Monitored accounts and payments to counter risks such as fraud and scams;*
- *Had systems in place to look out for particularly unusual transactions or other signs its customers were at risk of fraud;*
- *In some circumstances, taken further steps or made further checks before a payment went out, or even blocked it, to help protect customers – irrespective of the type of payment involved.*

*I find that Barclays should have intervened at the point of the £5,000 payment on 13 June 2022. While he'd paid crypto sites before, that was a notably large payment, and far larger than his normal activity. It came straight after a declined attempt to pay £10,000, and he'd already sent a significant amount earlier that same day. There were rapid attempts to pay unusually large amounts over multiple payments, to a recently new payee. I've reviewed Mr O's account activity in the months leading up to the scam, and I find that this was broadly out of character for him. And even if he'd used crypto sites before, Barclays would've still been aware of the increased risk of scams involved, not least given the warnings from the Financial Conduct Authority (FCA) and Action Fraud about crypto scams. I find that the £5,000 payment stood out as being remarkable, and it should have prompted Barclays to intervene here.*

*Had Barclays intervened and asked reasonable questions and given appropriate warnings, it seems most likely that it could have uncovered the scam and stopped any further loss. There were clear signs of a scam it could have picked up on, such as the job offer coming from a messaging platform, Mr O having no proper contract, the nature of the tasks, the use of crypto sites, and the fact that no legitimate job would require one to pay money in like this. This was a relatively prominent type of scam, so I think Barclays would have been able to quickly identify what was happening and prevent it. I've seen nothing to suggest that Mr O would not have been honest about why he was sending this money. And I've found no reason why Mr O would not have listened to Barclays – it is a well-known name in banking.*

*So I currently think that Barclays bears some responsibility for the loss from the point of the £5,000 payment onwards.*

*I've also thought carefully about Mr O's role in what happened. I can understand why Mr O might have felt reassured by how his partner's friends were already doing these tasks, and I appreciate that because the scammers were impersonating a genuine company his search results for that company would not have looked very suspicious. However, I'm afraid I think Mr O ought to have had more concerns along the way about what he was being asked to do. From what he's told us, the reasons given for him needing to pay money in don't seem to have made much sense, and it's difficult to see that he had a reasonable basis to believe what the scammers were telling him. It seems that he wasn't given any proper job contract, and he was hired over a messaging platform. And by the time he made the £5,000 payment, he'd had time to reflect on the situation, and would've noticed that he'd so far not actually had any of his funds back or received any earnings.*

*So I currently think that Mr O should also bear some responsibility for those losses.*

*Lastly, I've considered what Barclays did to try to recover Mr O's funds. I can see they contacted the cryptocurrency platform. But as the money went from Barclays to Mr O's own crypto account, and then he sent the money onto the scammers, the money was gone and there was nothing more that Barclays could really do there.*

I said I'd consider anything else anyone wanted to give me – so long as I received it before 10 September 2024. Mr O accepted the provisional decision, and Barclays didn't reply.

### **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.

Neither side have sent me any new evidence or arguments. So having reconsidered the case, I've come to the same conclusion as before, and for the same reasons as set out in my provisional decision above.

### **Putting things right**

I direct Barclays Bank UK PLC to:

- Refund 50% of the loss from the £5,000 payment of 13 June 2022 onwards; and-
- Add simple interest at the rate of 8% simple per year onto the refund, payable from the date each partially-refunded payment debited until the date of the refund.

If Barclays considers that it's required by HM Revenue & Customs (HMRC) to deduct tax from that simple interest, it should tell Mr O how much tax it's taken off. It should also give Mr O a tax deduction certificate if he asks for one. Mr O may be able to reclaim the tax from HMRC if he doesn't normally pay tax.

### **My final decision**

For the reasons set out, I uphold Mr O's complaint in part, and direct Barclays Bank UK PLC to put things right in the way I set out above.

If Mr O accepts the final decision, Barclays Bank UK PLC must carry out the redress within 28 days of the date our service notifies it of the acceptance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 9 October 2024.

Adam Charles  
**Ombudsman**