DRN-5098807

Financial Ombudsman Service

The complaint

Mrs B complains that Barclays Bank UK PLC ("Barclays") hasn't protected her from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mrs B has explained that in December 2022 to February 2023 numerous payments totalling over £19,000 were made out of her Barclays account as a result of a scam. Ultimately, Barclays didn't reimburse these funds, and Mrs B referred her 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.

Having done so, I've decided to not uphold Mrs B's complaint for materially the same reasons as our Investigator. There's no need for me to repeat these reasons here, but in brief summary:

- These payments were made from Mrs B's Barclays account to an account held in Mrs B's name with a third-party payment service provider. And I think that, for the same reasons as explained by our Investigator, that if these payments were indeed made as a result of fraud, it's most likely Mrs B was aware of the payments, it's just that she was tricked into them. In the circumstances I've seen, I couldn't reasonably say Barclays ought to have refunded the transactions on the basis that Mrs B likely didn't consent to them.

- Instead, like I've said, it seems most likely, if Mrs B was scammed, that she was instead tricked into the payments. In circumstances like this though, this wouldn't automatically entitle her to a refund from Barclays. It would only be fair for me to tell Barclays to reimburse Mrs B her loss (or part of it) if I thought Barclays reasonably ought to have prevented the payments (or some of them) in the first place, or Barclays unreasonably hindered recovery of the funds after the payments had been made; and if I was satisfied, overall, this was a fair and reasonable outcome.

- I'm therefore persuaded Mrs B most likely authorised the relevant payments (albeit as a result of being tricked). Barclays would generally be expected to process payments a customer authorises it to make. And under The Payment Services Regulations and the terms and conditions of the account, Mrs B is presumed liable for the loss in the first instance, in circumstances where she authorised the payments. That said, as a matter of good industry practice Barclays should have taken proactive steps to identify and help prevent transactions – particularly sufficiently unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there are many payments made by customers each day and it's not realistic or reasonable to expect Barclays to stop and check every payment instruction. There's a balance to be struck between identifying and proportionately intervening in payments that could potentially be fraudulent, and minimising disruption to legitimate payments (allowing customers ready access to their funds).

- In this case, as our Investigator explained, Barclays did ask what one of Mrs B's payments was for, and it provided some fraud and scams warnings based on the answer she gave. I understand there is an argument that perhaps Barclays should have intervened further than it did, for example in some of the subsequent payments that were for larger amounts. However, one has to be reasonable and proportionate about things. At the time of these larger payments, this wasn't a new payee Mrs B was paying – but instead an account held in Mrs B's own name with a third-party payment service provider. This doesn't mean Barclays automatically shouldn't have intervened further, because I'd expect Barclays to be aware of multi-stage scams where payments pass through a number of accounts before arriving with the scammers. But it does mean I wouldn't have expected an interrogation from Barclays. And I don't think what it did was unreasonable. However, I think even if Barclays had intervened further than it did, I'm not sufficiently persuaded this most likely would have made a difference.

- I say this because it appears from what Mrs B has said that the fraudsters were regularly in contact with her, and that she found them persuasive. And there is a lack of evidence here for me to persuasively discount the likelihood of the possibility that Mrs B was under the spell of the scam and fraudsters such that Barclays wouldn't, most likely, have been able to prevent her loss in this case with reasonable and proportionate intervention. So I'm persuaded, for the materially the same reasons as explained by our Investigator, that Barclays wasn't the proximate cause of her loss.

- Also, I'm not persuaded there were any reasonable prospects of Barclays successfully recovering the funds, given the nature of the payments and that they were quickly converted into cryptocurrency and then sent on elsewhere. I wouldn't reasonably expect Barclays to have been able to recover the funds for Mrs B in these circumstances.

I'm sorry if Mrs B was scammed and lost this money. But I can't fairly tell Barclays to reimburse her in circumstances where I'm not persuaded it reasonably ought to have been able to prevent her loss.

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 Mrs B to accept or reject my decision before 29 September 2025.

Neil Bridge
Ombudsman