

## **The complaint**

Miss D complains Barclays Bank UK PLC won't refund money she lost to a scam.

## **What happened**

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

In February 2024, Miss D was contacted by someone via a messaging app, offering her a part-time remote working opportunity with a company I will call 'T'. The job involved completing tasks by increasing website traffic.

Miss D made multiple payments towards the scam. Some were made directly to another account in her own name that she held with a banking provider I will refer to as "W", and one was made via a new account set up with a well-known crypto currency provider I will call "C".

Miss D was able to withdraw some commission, and Barclays also agreed to refund one of the payments for £105. In total, Miss D lost £3,032.12.

Miss D says she realised she had been scammed after completing all of the tasks. She said she tried to withdraw from her account with T but wasn't able to do so unless she paid taxes.

Miss D reported the scam to both Barclays and another bank that I will call "N", as she had made payments to T from both. N refunded the payments Miss D made from her account with them. But Barclays didn't.

Miss D complained. She said she was told by Barclays when making the payment that companies like C were FCA regulated and therefore if there was a problem, Barclays would be able to help in getting the money back.

Barclays responded and said that Miss D paid the money into her crypto wallet and then moved it to the scammer. Because of this, as the loss wasn't made directly from her Barclays account, and as they felt Miss D should have taken further steps to protect herself from fraud following her call with them on 24 February, Barclays said they wouldn't refund any of the money lost.

Miss D brought her complaint to our service. Our Investigator looked into everything and was of the view that Barclays didn't need to refund the money lost. They explained that while they felt Barclays could have done more, they couldn't be persuaded that any intervention would have made a difference, given the conversations Miss D had had with her other bank, N, prior to making the final payment from her Barclays account.

Miss D didn't agree with the investigator's view. Because of this, the complaint has been passed to me to decide.

## **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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Miss D has been the victim of a scam here – she has lost a large sum of money and she has my full sympathy for this.

However, just because a scam has occurred, it doesn't mean Miss D is automatically entitled to be refunded by Barclays. It would only be fair for me to tell Barclays to reimburse Miss D for her loss (or a proportion of it) if I thought they reasonably ought to have prevented the payment made, or that they hindered the recovery of the payment – while ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Barclays treated Miss D fairly and reasonably in their dealings with her, both when she made the payments and when she reported the scam, or whether they should have done more than they did. Having done so, I've decided to not uphold Miss D's complaint. I know this will come as a disappointment to her and so I want to explain why I've reached the decision I have.

I have kept in mind that Miss D made the payments herself and the starting position is that Barclays should follow their customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. I appreciate that Miss D didn't intend for her money to ultimately go to fraudsters – but she did authorise the payments to take place. However, there are some situations when a bank should have taken a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Barclays to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

So, the starting point here is whether the instructions given by Miss D to Barclays (either individually or collectively) were unusual enough to have expected additional checks to be carried out before the payments were processed.

Barclays knew or ought to have known that Miss D's final payment was going to a cryptocurrency provider. Losses to cryptocurrency fraud reached record levels in 2022 and by the end of 2022, many high street banks had placed restrictions or additional friction on cryptocurrency purchases because of the elevated fraud risk. So, by the time this payment took place, I think that Barclays should have recognised that payments to cryptocurrency carried a higher risk of being associated with fraud.

The payments made by Miss D prior to 25 February were all rather small in value and having considered previous account activity, I can see that she made multiple larger payments to different organisations in the year prior to making the scam payments. These earlier transactions, with the exception of one attempted but cancelled, also went to another account in Miss D's own name with W, and so, along with their low value, presented a low risk. Because of this, I don't think any of these payments would have flagged as suspicious to Barclays.

Nevertheless, Barclays did flag two payments for both £1,300 and £500 as unusual, but by the time they had spoken with Miss D on 24 February, she had made these payments via an alternative method and they were therefore cancelled.

I have listened to the call Miss D had with Barclays on 24 February where they let her know the payments attempted the previous day had been flagged as a risk. During the call, I found that Miss D was open and honest about the purpose of the payments. She explained the payments were made to purchase cryptocurrency in relation to application optimisation work. She explained she had a tutor who was showing her cryptocurrency options and that once she had made the top up payments, she would be able to complete the work and receive payment. The advisor told Miss D to check the crypto platform she wanted to make payment to, as it could be associated with a scam. They also told Miss D that C would be a safer one to use, and even though she could lose money with crypto, she should do some further investigation.

Given how open and honest Miss D was with Barclays, I believe it was clear Miss D was potentially falling victim to a job scam, and therefore they should have provided her with more relevant warnings. Instead, they warned her of investment and safe account scams and also advised her that C was covered by the FCA and was therefore safe to use.

So while I appreciate Barclays were more focussed on the fact that Miss D may be sending money to an unauthorised cryptocurrency exchange, I believe the hallmarks of a job scam were more prevalent meaning they should have provided better, more relevant warnings. They then should have flagged any further payments made.

The following day, Miss D set up her account with C and made the payment for £3,434.72 from her Barclays account.

Satisfied that Barclays should have provided better warnings to Miss D, I have then gone on to decide whether I think it's most likely that had Barclays intervened properly, they could have prevented Miss D's loss. But having considered everything, I don't think they could have done. I will explain why.

Miss D's other banking provider, N, have provided a call they had with Miss D on the same day as Barclays (24 February). During the call, Miss D was very open and explained the work she was carrying out, that she had a tutor and that when her account goes into a negative balance she needs to top it up with her own money. Miss D told N that she wasn't able to use her account with Barclays as they had stopped payments and so she was using her account with N instead.

N told Miss D in the call that she was categorically falling victim to a job scam and the circumstances were the same as those they see every day. Because of this, they refused to allow her payment to go through. The advisor told Miss D not to make any further payments, and that having to complete tasks and make payments to crypto in relation to a job was definitely a scam. They said if she continued to send money she would lose it.

During the call Miss D acknowledged what the advisor was saying, but said she was in control of her money and she had researched the company. She said she just needed to complete the last task before being able to withdraw it. She said she had carried out research on the company, and that while she had seen that it could be a scam, there was also enough to persuade her that it was genuine. As N wouldn't release her funds, Miss D said she would find another way to make the payment.

Following the call with N, I can see from the chat transcripts that Miss D questioned the scammers who told her the warnings were given because N didn't want her sending money

to competitors. This led Miss D to go ahead and make the further payment to C, despite the questioning and strong warnings from N.

Because of this, I am satisfied its most likely that even if Barclays had provided better warnings, similar to what N did, Miss D would have chosen to go ahead and make the payment in any way she could, as she was so heavily under the spell of the scammer.

Overall, having considered everything, while I appreciate that Miss D has been the victim of a cruel scam, I can't say that Barclays are responsible for her loss. Because of this, I won't be asking them to do anything further. I know this will come as a disappointment to Miss D, but I hope she can understand my reasons for the decision I've made.

### *The Contingent Reimbursement Model Code*

I note the Contingent Reimbursement Model Code has been mentioned in this case. Although Barclays are signed up to the Contingent Reimbursement Model Code, the payment Miss D made from her account isn't covered by the Code because she made the payment from her Barclays account to another account in her name - and not to another person. I cannot fairly and reasonably say that Barclays should have to refund the payment under the Code, because it doesn't apply here.

### *Recovery*

I've also looked at whether Barclays took the steps it should have once it was made aware that the payments made were the result of fraud.

Unfortunately, as Miss D made some of the payments to an account in her own name, and then moved the money on to the scammer, any attempt at recovery was hindered. I say this as Barclays would only be able to attempt recovery from where they sent the payments, and we know that money had already left Miss D's account. But even if funds had remained, she could've returned them herself.

The payment for £105 was automatically refunded by Barclays due to it being low in value.

In relation to the card payment for £3,434.72 the chargeback process is relevant here. To explain, a chargeback isn't guaranteed to result in a refund as under the rules, a merchant can defend it if they don't agree with the request. We would also only expect Barclays to raise a chargeback if it were likely to be successful. Based on the available evidence in this case, I believe it's more likely than not that any claim wouldn't have been successful. The payment was made to purchase cryptocurrency and therefore the service paid for was provided.

I have also taken note of Miss D's argument that she let Barclays know about the scam on the evening of 25 February while the payment to C was still pending meaning they could have got it back. However by this point, it appears as though the payment had already been sent from Miss D's account with C on to the scammer and therefore Barclays wouldn't have been able to get it back. Had the money remained in Miss D's account with C, she would have been able to get it back herself as the account was in her name and under her control.

I'm therefore not persuaded Barclays could have successfully recovered Miss D's funds.

### *Compensation*

I have considered the point Miss D has made around Barclays telling her that paying C would be safer as they were covered by the FCA meaning they'd be able to recover any

money lost. But having listened to the call, I can't agree that Barclays told Miss D they would be able to get her money back. The advisor said to check the FCA website to see whether a crypto platform has been associated with fraud or scams. They said companies like C were safer, but not that Miss D would definitely get her money back should she lose it after paying C.

I agree this wasn't entirely accurate, as trading in cryptocurrency in itself is an unregulated activity and therefore not covered by the FCA. And had Miss D checked the FCA website this would have been highlighted to her.

However, I don't think the misinformation given by Barclays contributed to any of Miss D's loss as I believe she would have made the payments regardless. So, I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Barclays needs to pay Miss D any compensation or refund any of the money lost.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 13 August 2025.

Danielle Padden  
**Ombudsman**