

The complaint

Mr P complains Barclays Bank UK PLC won't reimburse money he lost when he fell victim to a scam.

What happened

As all parties are aware of the facts of the case, and they are not in dispute, I will only include a summary here. Mr P paid circa £57,000 between July 2019 and March 2020, using cryptocurrency exchanges as an intermediary, to a scammer. He believed he was investing in a genuine investment company and would receive double his invested funds and a £1000 payment every month. However, he then discovered it was a scam when he did not receive the promised returns.

In my last email to both parties, I outlined my thoughts based on the available information. I was not persuaded that Barclays could have prevented Mr P's losses. I reached this conclusion as despite Mr P informing Barclays during a call on 10 October 2019 that he had been scammed he continued to send funds to the scammer.

Briefly, in response to my comments, Mr P requested I reconsider this position due to his financial situation. He also said that after he raised the chargeback with Barclays it agreed to send him the funds. However, when Barclays took the funds back, he assumed the scammers must therefore be genuine.

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.

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 Investigator's conclusions for the following reasons:

- It isn't in dispute that Mr P authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Barclays is aware, taking longstanding regulatory expectations and requirements into account, and what was considered to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.
- Considering the transactions, I do not think Barclays ought to have had any concerns and intervened until the third payment made on 11 February 2020 (statement date 12 February) for £6,431.98. This payment was the third high-valued payment on that

day. Barclays ought reasonably to have had a good enough understanding of how these scams worked and to have been able to identify the risk of harm occurring to Mr P from fraud or a scam - this includes making a number of purchases towards cryptocurrency assets in a relatively short space of time. So, it is with this in mind that I think Barclays ought to have probed further about the nature and context of the payments Mr P was making before allowing this one to be made. I'm not persuaded there is anything about the payments before this one that ought to have looked suspicious to Barclays and so I would not have expected them to have triggered it's fraud detection systems.

- Had Barclays asked relevant questions of Mr P, before allowing this third payment to be made, it would have been apparent that he was falling victim to a cryptocurrency investment scam. It would therefore would have been able to warn him of this.
- However, I am still persuaded that more likely than not the scammers did hold a high level of influence over Mr P. I say this because even after he ascertained he was being scammed, as is clear within his telephone call with Barclays on 10 October 2019, he then continued to send funds to the scammers. At this point Mr P had read reviews online with others highlighting they had been scammed, not received any of the promised returns and the platform he was using had disappeared. I consider this all rather conclusive evidence of a scam.
- I have noted Mr P believed Barclays was confirming the legitimacy of the investment after its chargeback attempt was unsuccessful and it took the funds back from his account. I've not seen any evidence which shows Barclays did inform Mr P that just because it was removing the funds that it meant the investment was not a scam. So, I'm not persuaded his assumption was a reasonable – especially considering his own due diligence and previous experience had all discovered the common hallmarks of a scam.
- Consequently, even if Barclays intervened during a later payment I'm not persuaded this would have stopped Mr P from proceeding to send funds to the scammers.
- I've also not seen any evidence of any vulnerabilities that ought to have meant Barclays acted differently when Mr P was making these payments.
- I'm similarly not persuaded there were any prospects of Barclays successfully recovering the funds. Additionally, funds used to purchase cryptocurrency from legitimate providers would not have any prospect of success as the service would have been provided. Ultimately, had Mr P not sent the funds from his cryptocurrency wallets to the scammers they would still be within his control.

I'm sorry to hear Mr P has lost money due to this scam and the effect this has had on him. But for the reasons I've explained, I don't think Barclays is to blame for this and so I'm not minded to tell it to do anything further to resolve this complaint.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 October 2025.

Lawrence Keath
Ombudsman