

The complaint

Miss Z has complained that Barclays Bank UK PLC (“Barclays”) failed to protect her from a “job scam” and hasn’t refunded the money she lost in the scam.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Miss Z has used a professional representative to refer her complaint to this service. For the purposes of my decision, I’ll refer directly to Miss Z, but I’d like to reassure Miss Z and her representative that I’ve considered everything both parties have said.

Miss Z has explained that around December 2023 she was contacted unexpectedly on a messaging app by an individual offering her a part-time job, which she expressed interest in. Miss Z was then contacted by another individual (“the scammer”) who introduced herself as her mentor. The scammer registered Miss Z on a system and explained that to complete the job she’d have to complete “data sets” of 40 items per day, in return for between \$25 and \$300 in commission.

Miss Z explains she was led to believe she was carrying out legitimate work by simulating the purchase of various items – such as household appliances – through an online platform. She says the scammer told her these simulated purchases help improve product algorithms, making it easier for the merchants to sell their goods.

In order to take part in the job Miss Z needed to firstly deposit money into the platform to ‘buy’ each item, and in return, she received commission payments that were added to her work account balance. Miss Z says she was told that once she’d completed a full set of tasks, she’d be able to withdraw both her commission and her initial deposit. Miss Z also says she was added to a group chat with other supposed employees, which helped make the scam feel authentic.

For the first few weeks, Miss Z was able to complete the tasks without investing large sums of money. But she’s explained that as time went on, the cost of completing the data sets increased and eventually, she found herself needing to pay a significant amount to finish her latest set. By this stage, she’d completed 39 out of 40 items and her mentor encouraged her to find a way to fund the final payment – either by borrowing from friends or taking out a loan. Miss Z explains as she was keen to get paid for the work that she’d almost completed she borrowed £6,000 from a friend to cover the cost.

After making this payment, Miss Z found that she was unable to withdraw any of her funds. Her account was frozen, and she was told she needed to pay an additional 15,000 USDT (a cryptocurrency payment worth around £12,150 at the time of the scam) to complete the set and regain access to her money. At that point Miss Z says she contacted the company the scammer had claimed to be working for, who confirmed that she’d been a victim of a scam and that they had no connection to the scheme she’d been involved in.

Miss Z has explained she believed the job offer was legitimate because she carried out checks on the company which appeared to be genuine. She's also described how the scammer maintained constant communication with her, reinforcing the illusion that this was real employment. Miss Z also says she had no prior experience with remote work and given the increased media coverage about flexible job opportunities, she was susceptible to being misled.

In order to fund the scam Miss Z firstly made seven payments from her Barclays account to another of her accounts held with a different bank. From there, she sent the funds to a cryptocurrency exchange, where she exchanged them into cryptocurrency which she sent to a wallet directed by the scammer.

The payments relevant to Miss Z's complaint against Barclays are as follows:

	Date	Amount	Description
1	2 January 2024	£1,345	Payment to own account
2	2 January 2024	£350	Payment to own account
3	3 January 2024	£5,900	Payment to own account
4	3 January 2024	£10,000	Payment to own account
5	4 January 2024	£6,180	Payment to own account
	Total		

Miss Z made a complaint to Barclays on the basis that it ought to have intervened before she was able to make the payments, and had it done so, the scam would've been uncovered. She said that given the nature of her payments and the red flags associated with task-based job scams, Barclays should have recognised the risks and intervened more effectively. She's complained that Barclays was in a strong position to identify the scam, given its understanding of common fraud patterns, and it should have done more to protect her from suffering such a significant loss.

Barclays didn't uphold Miss Z's complaint. In its response it said Miss Z had made the payments to her own account held with another bank, and it processed the transactions in line with what Miss Z instructed it to do. It noted that it had no way of knowing what Miss Z intended to do with the funds once they reached her other account, so it didn't accept any liability for her loss. Barclays also said Miss Z didn't complete her own due diligence checks, given the concept of the scam is implausible, especially having to pay in order to earn money for a job she was doing.

Miss Z remained unhappy so she referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. She explained that whilst she thought Barclays ought to have intervened before Miss Z made the payment for £5,900, she didn't think an intervention would've uncovered the scam and prevented Miss Z's loss, and she didn't think she'd have revealed the true reason for the payment to Barclays if she was asked.

As Miss Z didn't accept the investigator's opinion, the case has been passed to me to make 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.

I'm sorry to disappoint Miss Z but having considered everything I'm afraid I'm not upholding her complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Miss Z authorised these payments from leaving her account. It's accepted by all parties that Miss Z gave the instructions to Barclays and Barclays made the payments in line with those instructions, and in line with the terms and conditions of Miss Z's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

Did Barclays intervene, and if so, how?

Barclays hasn't provided any information to show that it intervened before any of the payments were made.

I do note Barclays has provided evidence that the payments were made to Miss Z's own account, and that the "Confirmation of Payee" system confirmed the receiving account was in Miss Z's name. It has also provided evidence that Miss Z selected the payment reason as "family and friends" when she made the first payment – but it doesn't appear she was asked for the payment purpose, or any other questions, for any of the subsequent payments.

What should Barclays have done to intervene?

I've firstly kept in mind what Barclays knew about the payments at the time Miss Z made them. I say this because although the payments were ultimately destined for a cryptocurrency exchange, which could've increased the perceived risk associated with them, I'm satisfied that Barclays wouldn't have known this at the time.

All of the payments Miss Z has complained about were made from her Barclays account to another account in her own name before being moved again to the cryptocurrency platform. So it's reasonable for Barclays to have considered the payments as being self-to-self transfers, which appear less risky than for example, payments which show an obvious involvement with cryptocurrency. It's commonplace for customers to transfer money between their own accounts, often legitimately, and it wouldn't be reasonable for Barclays to question this every time a customer did it, especially if it was satisfied the funds were destined for an account held by, and under the control of, its customer.

I've carefully reviewed the transactions on Miss Z's Barclays account in the six months prior to the scam and I can see that she'd made two payments – for £150 and £166 – to her account at the other bank on 29 December 2023. So by the time Miss Z came to make the payments to that account as part of the scam, I think Barclays could take some comfort that Miss Z trusted the payee (which was herself) and that the payments were legitimate.

I can also see that in August 2023 Miss Z made a payment for £1,249. Whilst payments of this size aren't commonly seen on Miss Z's account, this does contribute towards the overall picture of the way Miss Z typically uses her account, and it's reasonable for Barclays to have taken this into account when considering whether to intervene before processing any of the payments in the scam.

Having considered these points, I'm satisfied that Barclays didn't need to intervene for the first two payments Miss Z made. The values of those payments, although understandably significant for Miss Z, were relatively low when considered in the wider context of the activity on her account. Additionally, they were being made to an account in her own name that she'd paid several times before.

Turning to payment three, this was made the day after the first two payments and I agree with our investigator that Barclays ought to have intervened before this payment was processed. And keeping in mind the value of the payment, as well as the pattern seen in the preceding days, it would've been proportionate for Barclays to discuss it with Miss Z to understand more about it, and to give her appropriate scam-related warnings. Barclays didn't do that so the starting point is that it's responsible for the resulting loss from payment three onwards.

But as our investigator noted, it's also important to consider whether Barclays' intervention would have made a difference in preventing the scam. Whilst I appreciate that this will be disappointing for Miss Z, I'm not persuaded that Barclays' actions would have uncovered the scam or prevented her loss.

In reaching this decision, I've carefully reviewed the circumstances of this complaint, as well as another complaint Miss Z has referred to this service, which relates to the same scam and was directed to the bank that received the payments from Barclays.

In the other complaint, the bank stopped a payment Miss Z was attempting to make and asked about the reason for the transaction. She explained that the payment was to "family and friends" and elaborated further by saying she was repaying a loan to someone she had owed money to for several years.

Similarly, in this complaint, Miss Z says the scammer instructed her to tell Barclays that she was transferring funds to her own account for "emergency funds" if questioned. Additionally, messages within the group chats Miss Z participated in show a clear pattern of encouraging participants to conceal the true purpose of their payments. This persuades me that, more likely than not, Miss Z wouldn't have disclosed the real reason for her transactions – even if Barclays had intervened.

Whilst I acknowledge that Miss Z's representative doesn't agree with this stance, and I accept that I can't be certain how Miss Z would've responded if Barclays had stepped in before the payments were made, my role is to determine what's most likely to have happened based on all the circumstances. For the reasons outlined above, although I maintain that Barclays failed to protect Miss Z from financial harm as it should have, I don't believe this failure resulted in a worse outcome than if Barclays had taken further action.

Recovery of the funds

I've carefully considered whether Barclays took the appropriate steps in attempting to recover Miss Z's funds.

Barclays has explained that it didn't attempt recovery because the payments were classified as "me-to-me" transfers – meaning the payments were sent to Miss Z's own account. After reviewing her statements from the receiving account, I can see that once the funds were received, she transferred them out, under instruction of the scammer, in the next stage of the scam. Given this, plus the fact that Miss Z didn't make Barclays aware of the scam until around six months after it happened, means it's highly unlikely that any recovery efforts by

Barclays would've been successful as the funds had been withdrawn from the receiving account.

I'm very sorry that Miss Z has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Barclays responsible for that.

My final decision

I don't uphold Miss Z's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Z to accept or reject my decision before 18 April 2025.

Sam Wade
Ombudsman