

The complaint

Miss A complains that Barclays Bank UK PLC (Barclays) didn't do enough to protect her from the financial harm caused by an investment scam.

Miss A has been represented by a claims management company throughout her complaint. I have referred to them as Miss A's representatives.

What happened

Miss A saw an advert on Facebook, advertising an opportunity to make money from trading in cryptocurrency. The premise of the offer was that she could invest money in cryptocurrency at times recommended by traders. They would give her an indication as to when to buy and when to sell. They told her that if she followed their signals she would obtain lucrative profits within a short time window.

Miss A made contact and was asked to join a WhatsApp group, where she thought she was talking to community members like her, and the traders. Miss A then had a series of conversations individually with who she thought were traders about how to invest money through them in cryptocurrency and what to do. This involved them asking her to open an account in their trading portal, and how she could send money to them. They also discussed with her when it was time to invest.

The traders and their advice turned out not to be genuine though and Miss A was the victim of a cruel scam. The scammers asked Miss A to make many payments. Miss A's representatives said there were 41 in relation to the scam between 6 May 2024 and 21 June 2024. These payments were then converted to cryptocurrency and sent on to the scammers' wallet(s). Miss A said she was given links to different trading portals throughout the scam. She signed up for a new account on 3 different sites during this time, but in reality the portals were just a front for the scammers who, on each occasion, were scamming Miss A of the payments she was making.

The scam was quite sophisticated, and Miss A was asked a number of different creative ways, for her to hand more money over. These included paying commission on her profits to expert cryptocurrency traders, adding money to access a VIP area, providing additional money to access a withdrawals screen and paying to remove restrictions on her account, as she was told by the scammers she had been suspected of insider trading. All of these demands were a ruse and tactics used by the scammers to encourage Miss A to hand over more money.

Miss A though, through her representatives, said the trading platforms that she signed up to looked legitimate. She said she could log on and see she was making profit from the trades they had recommended she make. She said she was given some reassurance as she received a withdrawal early on.

It wasn't until around 6 weeks had passed, when Miss A tried to make a larger withdrawal, and she was told by the scammers that she had to pay more in order for this to happen, that she realised at this stage, that she had been scammed. Through her representatives, she

complained to Barclays about this and said it should have done more to intervene and protect her.

Barclays responded and said it agreed with her. It said it would share the blame with Miss A and would refund 50% of the payments she made from the second payment onwards, along with added interest.

Barclays refunded £12,380.94 to Miss A, representing what it saw was 50% of the payments she made to the scammers from the second payment, along with an interest payment at 8% simple per annum and £100 for the distress and inconvenience it said it had caused her.

Miss A's representatives said Barclays should refund all of the payments back to Miss A, and for this reason, referred her complaint to our service.

An investigator from our service said Barclays had already accepted it had made mistakes and took partial responsibility for the amount that Miss A had lost because of the scam. He said as this was the case, he didn't need to consider whether Barclays ought to have done more about the scam. Instead, he needed to determine whether Barclays' reimbursement was fair and reasonable.

The investigator concluded that it was and that it had already settled the complaint fairly. He said this was because he felt liability should be shared between the parties. He pointed to Miss A doing no research on the traders, outside of the initial advert she saw. Also, that she was directed to WhatsApp which was unusual, there was no official paperwork, and she was asked to sign up to four different trading portals. He concluded that there was enough suspicious or unusual activity here that ought to have given Miss A some concerns about what she was getting into.

The investigator also made the point that Barclays paid slightly more than half of the payments that Miss A made to the scammers. He said this was because it took into consideration a few payments that were not accounted for on statements provided by Miss A and also didn't take into consideration withdrawals that she got back.

Miss A's representatives didn't accept the investigator's findings and made a series of comments relating to what Barclays ought to have done to intervene when the scam was taking place. The investigator said Barclays had already agreed it was at fault and so their arguments did not change his opinion. Miss A's representatives asked for an ombudsman to look at her complaint.

The parties are still not in agreement, so Miss A's complaint has been referred 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.

I would normally consider whether Barclays ought to have refunded Miss A, due to obligations that it signed up to within the Contingent Reimbursement Model code. But in this instance the code doesn't apply as Miss A made the payments with her debit card, a payment method it doesn't cover. I'm also satisfied Miss A authorised the relevant payments, identified by her representatives as being made because of the scam. Under relevant regulation and the terms and conditions of her account, she is presumed liable for the loss. But that's not the end of the story. Barclays ought to have been on the lookout for

transactions that might have indicated a fraud risk. I would expect Barclays to intervene in a manner proportionate to the risk identified.

With this in mind, I have looked into the payments made by Miss A, and seen what happened here including what Barclays did at the time. I looked at the first payment Miss A made to the scammers. This was one, that Barclays didn't intervene on, and wasn't one that it said it ought to have either. It didn't include it, in its list of payments that it shared liability for and it didn't include it in its calculations for the compensation it has already paid Miss A. I can see why it hasn't. At this very early stage, due to the amount of this payment and the fact it was the first one, I can't see any reason why Barclays ought to have intervened here.

The second payment Miss A made to the scammers, was for a much larger amount and she was looking to make the payment to a cryptocurrency exchange account. I can see from the records provided by Barclays, that its system did flag this payment, and it did carry out an intervention here, it made a telephone call to Miss A. Barclays has provided the call recording for this.

I don't need to say much more about this because, Barclays has said it ought to have provided an effective scam warning at this point, and its actions were not proportionate. Because of this, it has already decided to partially uphold Miss A's complaint from the second payment onwards and has paid her 50% of each payment back.

I can see that it has paid a bit more than half of the payments made to the scammers, as Barclays didn't consider the withdrawals Miss A received and included payments that are not on the statements that Miss A's representatives have provided to our service. With all that being said, Barclays has taken partial responsibility for all payments made to the scammer from payment 2, and this is the crux of Miss A's and her representatives' complaint: that it should take full responsibility for them. Miss A's representatives think Barclays should pay the remaining amount to her that she lost but hasn't received back. So, in essence they think Barclays should take 100% responsibility for Miss A's financial loss owing to the scam. If I were to conclude this then, Miss A would receive the remaining amount, as her representatives have asked for, and it is this that remains in dispute between the parties.

There's a general principle in law that consumers must take responsibility for their decisions and conduct suitable due diligence. I have considered this further, about whether Miss A should take equal share of the responsibility with Barclays, for what happened here.

I have read through all of the documents submitted including the extensive records of Miss A's discussions with a multitude of scammers and I have taken the following points into consideration:

- Miss A was acting on advice from people she'd never met, through a Facebook advert. She didn't as far as I can see, carry out any checks about the people she was dealing with and seemed to follow advice given by a cast of many, without knowing if any of them were credible or legitimate.
- She was told to register for new accounts on 4 different portals but didn't question why this was the case. She just carried out the instructions provided. She didn't carry out any checks on the new portals or business names, on each occasion, when she was asked to do this. She set up an account on 3 of these sites.
- She carried out all of her communication through WhatsApp with the scammers, and not through more usual routes such as through secure messaging, telephone or email. This wouldn't necessarily, on its own, be enough to say Miss A should have been concerned. But I think taken in conjunction with everything else, it ought not to have reassured her.

- She was not given any paperwork about her arrangement with what she thought, in her words, was a legitimate business. She didn't have a contract, terms and conditions of service or correspondence, and didn't query this.

So, even though I accept this was a sophisticated scam and that Miss A seemed to be under the spell of the scammers, I think she went ahead with the payments despite some very clear warning signs and that she should have done more checks before deciding to go ahead. Consequently, I think Barclays' offer and reimbursement, with it sharing liability equally with Miss A to be a fair one. It has reimbursed more than half of the payments, has paid interest on this, and also made a modest payment for distress and inconvenience. In all of the circumstances here, I don't think I can ask it to do anymore.

I'm sorry Miss A was scammed and lost about half of her money, but in conclusion I can't fairly tell Barclays to reimburse her for the rest, for the reasons I have given. The scammers were ultimately responsible for Miss A's financial loss, and I think on this occasion, Barclays and Miss A taking an equal responsibility for allowing this to happen, is a fair and reasonable outcome.

My final decision

My final decision is that I don't uphold Miss A's complaint, and I don't require Barclays Bank UK Plc to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 24 July 2025.

Mark Richardson
Ombudsman