

The complaint

Mr S is complaining that Barclays Bank UK PLC didn't do enough to prevent him from falling victim to a scam – and hasn't reimbursed him for the full amount of the payments he made to the scam after he reported it.

The complaint is brought on Mr S's behalf by a professional representative.

What happened

In January 2024 Mr S fell victim to an employment scam, when he was contacted by someone who said they worked for a recruitment company.

Mr S says he was asked to complete tasks promoting products for a well-known retailer. He was given access to a platform where he could see the profit he was making and the commission he had earned, and he was able to make a small withdrawal to his account. Mr S was then encouraged to make deposits on the basis his profits would increase, but when he then attempted to withdraw funds from the platform he wasn't able to, and he realised he'd been scammed.

Mr S says he made the following payments to a cryptocurrency provider as part of the scam, from his account with Barclays.

Payment number	Date of card transaction	Payment type	Amount
1	1 January 2024	Debit card payment	£90
2	2 January 2024	Debit card payment	£60
3	2 January 2024	Debit card payment	£450
4	2 January 2024	Debit card payment	£1,000
5	2 January 2024	Debit card payment	£3,200
6	4 January 2024	Debit card payment	£1,000
7	4 January 2024	Debit card payment	£3,500
8	5 January 2024	Debit card payment	£5,800

Mr S called Barclays on 8 January 2024 to report the scam but it's not clear any action was taken at that point. He then went on to complain to Barclays, through his representative. He said that he thought Barclays should have intervened to prevent the payments to the scam.

Barclays responded to Mr S's complaint. It accepted that it should have intervened, and identified payment 4 as the point where it ought to have stepped in. It agreed to refund 50%

of Mr S's payments from payment 4 onwards, with interest at 8% simple per year from the date of the payments to the date of the refund. It also paid Mr S £100 in compensation – in its final response letter it says this is because it closed his scam claim early in error. The refund and compensation were paid to Mr S on 4 March 2024.

Mr S remained unhappy with the outcome of his complaint and referred it to us. He thought he should receive a full refund of the amount he'd paid to the scam.

Our Investigator looked into Mr S's complaint. He thought that the refund Barclays had already paid to Mr S was fair, and was likely more than we would have awarded in the circumstances, because he thought Barclays didn't need to intervene until payment 5. He concluded that it was fair for Mr S to share responsibility for his loss, in all the circumstances.

Mr S didn't agree, and asked for his complaint to be passed to an Ombudsman for review and 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'm not upholding Mr S's complaint, because like the Investigator, I think Barclays has already paid fair settlement to Mr S. I'll explain why.

It's not in dispute that Mr S authorised the payments. And Barclays has a duty to act on his instructions. But in some circumstances a bank should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

Mr S's representative has described the circumstances of the scam Mr S says he fell victim to, but we've not been sent the evidence of the scam that I'd usually expect to see, such as the conversations between Mr S and the scammer, to show that the payments he made to the cryptocurrency exchange were as a result of, and subsequently lost to, the scam. However, I note that Barclays doesn't appear to have disputed that a scam took place, and in any event, this doesn't make a difference to the outcome of this complaint. So, I will proceed on the basis that a scam *has* taken place.

Barclays has concluded that it should have intervened at payment 4, and if it had the loss to the scam would have been prevented from that point on. I've considered whether I think Barclays ought to have intervened at an earlier stage, but payments 1 to 3 simply weren't of a value where I'd expect Barclays to have been concerned about the risk of financial harm to Mr S. I accept the payments were to a cryptocurrency provider, but that doesn't mean payments should automatically be treated as suspicious, particularly when there are no other concerning factors about the payments.

I've also considered whether Barclays could reasonably have recovered Mr S's funds once he reported the scam. Mr S's payments were made using his debit card, and it's sometimes possible to dispute card payments through the chargeback process, subject to the relevant card scheme's rules. But I don't think any chargeback claim against the merchant (the cryptocurrency provider) would have been successful here, because Mr S received the

cryptocurrency he paid for before it was lost to the scam.

Barclays has refunded only 50% of the loss from payment 4, on the basis that it thought Mr S should share equal responsibility with it for the loss, which Mr S disputes. So, the point that remains for me to decide here is whether Mr S should share responsibility for his loss under the principle of contributory negligence – that is, because his actions fell short of the standard of care that would be expected of a reasonable person in these circumstances.

I recognise that from Mr S's description of what happened there were relatively sophisticated aspects to this scam, such as a platform which was used to access and manage his apparent earnings and tasks, and his ability to make a small withdrawal early in the process. I can see why this may have reassured him about its legitimacy.

But I must also take into account that the very nature of the job Mr S thought he was doing, in apparently promoting products that he hadn't used, was very unusual. I don't think the job opportunity was very plausible, and Mr S should have had some concerns over whether it was genuine. And I think this ought to have led him to ask questions, complete some additional research and to look at reviews of the companies involved. And if he had, at the time there was at least some information online that could have indicated to him that the job opportunity may not be as it seemed.

I also think that being asked to buy and transfer cryptocurrency in order to be paid for a job is very unusual, especially in the amounts Mr S paid. And I think Mr S should have had some concerns about what he was being asked to do here, that should have prompted him to look into the circumstances further before making the payments.

I'm sorry to disappoint Mr S, but overall, I consider it was fair for Barclays to have reduced the amount it refunded to him to reflect the role he played in what happened here. And on balance, I consider a 50% deduction is fair and reasonable in all the circumstances of this case. Because Barclays has already provided Mr S with a refund from payment 4 that's in line with this, including interest at 8% simple per year which is also in line with our general approach to compensate him for the loss of use of the funds, I don't think Barclays needs to do anything else to settle this complaint.

Mr S hasn't mentioned the compensation payment of £100 as part of his complaint to us, and it's not particularly clear what that was for, but from Barclays' records it looks like Mr S initially reported the scam, but Barclays didn't take any further action in investigating things until it received correspondence from his representative a few weeks later. For completeness, I don't think Barclays needs to pay Mr S any more compensation, as I think £100 is fair to reflect the impact any potential delay had on him.

My final decision

My final decision is that I'm not upholding Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 April 2025.

Helen Sutcliffe
Ombudsman