

## The complaint

Mr B is complaining that Barclays Bank UK PLC didn't do enough to prevent him from making payments to a scam.

The complaint is brought on his behalf by a professional representative but for ease I'll mainly refer to Mr B.

## What happened

Mr B says he fell victim to an investment scam after seeing an advert on social media.

He opened an account with an Electronic Money Institution (EMI) in April 2024 and paid in £500 from his Barclays account, which he then paid on to a cryptocurrency exchange and from there to the scam. He received a return of £498.01 which he moved back into his Barclays account. This encouraged him to continue to invest further, and he went on to make the following payments to his account with the EMI from his account with Barclays.

Date of transaction	Type of payment	Amount
13 May 2024	Debit card	£2,800
21 May 2024	Transfer	£5,000
21 May 2024	Debit card	£3,000
5 June 2024	Transfer	£7,000

*The payment of £2,800 wasn't included in Mr B's initial complaint to Barclays but has been considered in the Investigator's view. I'm including it here for completeness, but it doesn't affect the outcome of this complaint.*

Mr B realised he'd been scammed when he was asked for more money to allow him to make withdrawals. In July 2024 he reported the scam to Barclays as a complaint raised through his representative. Barclays investigated what had happened but didn't agree to refund Mr B's payments.

Mr B brought his complaint to the Financial Ombudsman Service. He said, in summary, that Barclays should have intervened to give him a scam warning when he made the disputed payments and if it had done so, the scam would have been uncovered and further payments would have been prevented.

Our Investigator didn't uphold Mr B's complaint. He said, in summary, that the payments Mr B made wouldn't have appeared unusual to Barclays considering the payment activity on Mr B's account at the time of the disputed payments. Mr B didn't agree. He said, in summary, that he thought that as his account with the EMI was a new payee he should have received a general scam pop-up warning when he made payments to it, due to the risk of multi-stage fraud.

Mr B's complaint has now been passed to me 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.

I've thought about the Contingent Reimbursement Model (CRM) code which can offer a potential means of obtaining a refund following Authorised Push Payment (APP) scams. But the CRM code doesn't apply to payments made to another account in the customer's own name, so Mr B's payments aren't covered by it.

I've therefore considered whether Barclays should reimburse Mr B under any of its other obligations. And I don't think it needs to, because I don't think it ought to have done anything else to intervene to prevent Mr B from making the payments. I'll explain why.

There's little evidence here of Mr B's communication with the scammers at the time he made the payments to show that they were linked to a scam (although I have seen an email from 6 June 2024 asking Mr B to make a further payment to make a withdrawal which does appear to be related to a scam). But as this doesn't make a difference to the outcome here, I'll proceed on the basis that Mr B has lost these funds to a scam.

It's not in dispute that Mr B authorised the payments. And Barclays had a duty to act on his instructions. But in some circumstances a financial business 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.

I've also kept in mind that businesses such as Barclays process high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

I have reviewed the available statements which show Mr B's general account activity, along with the payments he made to the scam. And having considered when they were made, their value and who they were made to, I'm not persuaded Barclays ought to have found any of the payments suspicious, such that it should have made enquires of Mr B before processing them.

Mr B had received a large lump sum into the account not long before the disputed payments were made. He had then gone on to make several high-value payments from the account.

For instance, he made eight payments of £10,000 to a relative in the weeks before he made the first disputed payment. And between the first payment and the second payment he also made payments to other accounts in his own name - £4,319.99 on 14 May 2024 and £5,075.16 and £10,000 on 20 May 2024. In this context, and at a time where Mr B was apparently distributing the lump sum to other accounts in his name and to family members, the disputed payments did not look unusual or suspicious.

The disputed payments were being made to a new account Mr B had opened in his own name with an EMI. Although Barclays should have been aware of the risk of multi-stage fraud such as Mr B was experiencing, which can involve funds being transferred to new or existing accounts held with an EMI as part of the scam, I still think it could have taken some reassurance here that the account was held in Mr B's own name. I wouldn't expect Barclays to have intervened in payments solely because they were being made to an EMI, and certainly not in the circumstances here, where there was a recent history of legitimate

payments for similar or higher amounts also being made to accounts with other providers.

As Mr B's representative has mentioned, Barclays did have a conversation with Mr B at the time of the £7,000 payment - he spoke to Barclays on 5 June 2024 because he found he wasn't able to make the payment to his account with the EMI. The adviser explained that this had been due to a fraud check to make sure it was Mr B making the payments, but because Mr B had already confirmed it was him carrying out the payment, he should be able to re-send it (and he was then able to). So, whilst Barclays did have an opportunity to ask Mr B some questions about the circumstances of this payment, because I don't think it should have been concerned about a scam risk based on the account activity, I can't conclude that it should have done more during this conversation.

Having considered all the circumstances, I don't think it was unreasonable for Barclays not to view the payments as suspicious, such that it should have carried out any additional checks or given an additional warning before processing the payments. So, I don't think it ought to have done any more to prevent the payments Mr B made.

I've considered whether Barclays could have done anything to recover Mr B's payments once the scam was uncovered, but because the payments were sent to another account in Mr B's name, and then on to the scam, it wouldn't have been possible for Barclays to recover them.

I'm sorry to disappoint Mr B. It appears he's been the victim of a cruel scam and I can appreciate why he'd think he should get his money back. But for the reasons I've explained, I don't think Barclays should have done more to prevent his loss. So, it wouldn't be reasonable for me to ask it to refund the payments he made.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 22 July 2025.

Helen Sutcliffe  
**Ombudsman**