

The complaint

Mr A complains that Barclays Bank UK PLC won't refund money he lost when he was a victim of a scam.

Mr A is represented by a firm I'll refer to as 'R'.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

In 2024 Mr A fell victim to a task-based job scam. He was contacted via an instant messenger app by an individual offering a remote based opportunity working for a well-known high street and online store (which I'll refer to as 'X'). We now know it was a scam. The scammer explained to Mr A that the job entailed completing sets of tasks by evaluating different products to help X's merchants promote their products – thereby increasing sales.

The job paid a salary along with commission for completing the tasks. There were however 'parcel' tasks that provided a greater commission, but these put the account into a negative balance – which required the account to be funded. To do this, Mr A needed to purchase crypto from legitimate crypto providers before forwarding it on to X. As part of the scam, I understand Mr A made the following payments from his Barclays' account:

Transaction Date	Payee	Transaction Type	Amount
2 August 2024	Crypto Provider	Debit card	£10
2 August 2024	Money transfer provider 'T'	Debit card	£1,998
16 August 2024	Mr A	Fund transfer	£10
19 August 2024	Mr A	Fund transfer	£4,000
19 August 2024	Mr A	Fund transfer	£780
23 August 2024	Mr A	Fund transfer	£6,500
23 August 2024	Mr A	Fund transfer	£900
23 August 2024	Mr A	Fund transfer	£800
23 August 2024	Mr A	Fund transfer	£600
23 August 2024	Mr A	Fund transfer	£5
23 August 2024	Mr A	Fund transfer	£30

2 September 2024	Mr A	Fund transfer	£200
		Total	£15,833

Mr A has explained that when he requested to withdraw his funds, he was told he needed to pay fees. But despite paying these, he was told more fees were due. At this point, he realised he'd been scammed.

R complained, on Mr A's behalf, to Barclays on 11 October 2024. They said Barclays didn't do enough to protect Mr A from the scam – as they ought to have identified the payments as unusual, carried out further checks before processing them and provided relevant scam warnings. If this happened, the scam would've been uncovered and Mr A's loss avoided. R also thought Mr A should be refunded under the Contingent Reimbursement Model (CRM) code. And they highlighted that Mr A was vulnerable at the time of the scam due to his health and life events. To settle the complaint, R said Barclays should refund Mr A in full (less any amount recovered) and pay with 8% interest.

Barclays didn't uphold the complaint. They said the transfers – amounting to £13,825 – went to an account in Mr A's own name and so he would need to contact that bank to raise a scam claim. In terms of the debit card payments, these aren't covered by the CRM code. And they took steps to protect Mr A from falling victim to a scam as they detected a payment to T and questioned him regarding its authenticity. Based on the answers he provided, they didn't feel they could've uncovered the scam.

The complaint was referred to the Financial Ombudsman. Our Investigator considered Mr A's complaint, but he didn't think Barclays had to do anything further. In short, he said:

Barclays stopped a £1,300 payment on 2 August 2024 that Mr A attempted to make to T, and a £2,000 payment on 13 August 2024 Mr A was attempting to make to his own account with an Electronic Money Institution provider (E). But when Barclays questioned Mr A about these payments, he provided inaccurate information.

- Mr A also made payments to the scam from E. E carried out additional checks before processing a payment, but Mr A didn't provide accurate information and misled them about the purpose of it.
- The conversation Mr A had with the scammer ('scam chat') shows he was being guided by them – with Mr A forwarding E's questions to the scammer for direction. Mr A followed the scammer's instructions as to how to answer E's questions.
- The warnings E provided, which were appropriate, should've resonated with Mr A. Instead, he ignored them and continued to follow the scammer's advice.
- So, even if Barclays had questioned Mr A further about the payments, he didn't think this would've made a difference – as he thought Mr A would've listened to the scammer, thereby preventing the scam from being uncovered.
- Barclays couldn't recover Mrs A's funds – chargebacks for the debit card payments would've been unsuccessful as Mr A received the service paid for. And the funds transferred went to accounts in his own name and control (which was then forwarded on as part of the scam).

R disagreed with our Investigator and asked for Mr A's complaint to be referred to an Ombudsman. They added that Mr A's vulnerabilities and circumstances at the time of the scam may have impacted his thought process. But this hadn't been considered.

The matter has been passed to me to decide.

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 very sorry Mr A has been the victim of a scam. I realise he has lost a lot of money and so, I can understand why he would do everything he can to recover it. But I must consider whether Barclays is responsible for the loss he's suffered. Having done so, and while I realise this isn't the outcome Mr A is hoping for, for similar reasons as our Investigator, I don't think they are. Because of this, I don't think Barclays acted unfairly by not refunding the payments. I'll explain why.

Before I do, I want to reassure Mr A that I've considered everything R has submitted on his behalf. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Barclays is responsible for the loss Mr A has suffered.

R has referred to Mr A's payments being refundable under the CRM code - which can offer a potential means of obtaining a refund following situations like this. The CRM code however doesn't cover debit card transactions or payments to a person's own account. So, the payments aren't covered by it. I've therefore considered whether it would otherwise be fair and reasonable to hold Barclays responsible for Mr A's loss.

In broad terms, the starting position in law is that banks are expected to process payments that their customer authorises them to make. Here, it isn't disputed that Mr A knowingly made the payments from his Barclays account and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Barclays are expected to process Mr A's payments, and he is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Barclays to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

Here, Barclays has shown that they did stop two payments Mr A attempted from his account – that being a £1,300 payment on 2 August 2024 to T, and a £2,000 payment on 13 August 2024 to E. When questioned about these payments, Mr A didn't provide accurate information. He said the £1,300 payment was for friends and family. And for the £2,000 payment, while he said it was going to his own account with E, he said he hadn't been given any instructions to make the payment. Mr A was also asked about a loan that he'd applied for, and he said he took it out for costs relating to moving home (such as the purchase of furniture) – which, as I understand, wasn't true as Mr A's since said it was used to fund the scam.

These two payments weren't going to a beneficiary identifiably associated with crypto. And so, based on Mr A's answers to their questions, I think it was reasonable for Barclays to consider he was making them for legitimate purposes - as his responses were entirely plausible. Because of this, I don't think Barclays would've had sufficient reason to suspect Mr A was falling victim to a scam.

Barclays, arguably, should've carried out additional checks before processing some of the subsequent transactions. But even if they had, I'm not persuaded this would've made a

difference. This is because, having reviewed the scam chat, it's clear that Mr A was heavily under the scammer's influence. And to the degree that, during the scam, despite saying "*I think this is fraud*", he went on to say, "*So tell me exactly what i need to say...*".

Mr A also similarly didn't disclose the true purpose of a payment he attempted, as part of the scam, from his account with E. For example, when E carried out additional checks before processing the payment, he likewise said it was for friends and family. He also said he was completing the transaction himself, and he had received the bank account details 'face to face'. This was despite E warning him that if he was being scammed, the fraudster might ask him to hide the reason for the payment.

I realise Mr A has been the innocent victim of a scam here, and that he was being coached by the scammer to withhold information from his banking providers. This however meant that, even if Barclays had carried out additional checks on the disputed payments before processing them, Mr A would've sought the guidance of the scammer on how to respond (as he did with E). In turn, he would've continued to provide inaccurate information regarding the purpose of the payments and their surrounding circumstances to Barclays. Because of this, I'm not persuaded that Barclays could reasonably have uncovered the scam through a proportionate enquiry. It follows that I don't think Barclays is responsible for Mr A's loss.

I'm aware that R has referenced Mr A's vulnerability at the time of the scam and how this might have impacted his thought process. While I'm sympathetic to Mr A's situation, it seems Barclays weren't aware of his circumstances at the time. Nor, from their interaction(s) with him, would I reasonably have expected Barclays to have suspected Mr A might be vulnerable. Because of this, I don't think Barclays treated him unfairly in this respect.

I've also considered whether, on being alerted to the scam, Barclays could reasonably have done anything to recover Mr A's losses, but I don't think they could. The only possible option for recovery of the debit card payments would've been for Barclays to have attempted a chargeback against the payees – that being T and the crypto provider. But this likely wouldn't have had any reasonable prospect of success. This is because Mr A received the services he paid for. And in terms of recovering the funds Mr A transferred, these went to an account in his own name before being forwarded on as part of the scam – and so, no funds would've remained.

In conclusion, while I have a great deal of sympathy for Mr A, I cannot reasonably direct Barclays to refund him. For the above reasons, I think Barclays have acted fairly and so I'm not going to tell them to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 3 October 2025.

Daniel O'Dell
Ombudsman