

The complaint

Miss J complains that Barclays Bank UK PLC ('Barclays') won't refund the money she lost as the result of a scam.

What happened

In January 2024, Miss J received a message saying that a parcel delivery had failed and a fee had to be paid to arrange redelivery. Miss J clicked the link, but says she didn't complete the form.

A few days later in February 2024, Miss J was contacted by someone who said they work for Barclays. The caller said there had been unusual activity on Miss J's account and that her account had been compromised.

This was a safe account scam.

Miss J was persuaded to transfer funds from her Barclays account to an account she held with an Electronic Money Institute (EMI), I'll refer to the EMI as R. From there she made further payments.

Miss J made seven payments to top up her EMI account and one bank transfer. The total she lost as a result of the scam was £15,200.

When Miss J realised it was a scam, she reported it to Barclays. Barclays raised a fraud claim but declined to refund Miss J. Barclays said the Contingent Reimbursement Model Code (CRM Code) doesn't apply to Miss J's payments as they were made to an account in her own name. They flagged three payments, which were cancelled, but the other payments went to an existing payee. Barclays don't believe they're liable for Miss J's loss.

Miss J wasn't happy with Barclays' response, so she brought a complaint to our service.

An investigator looked into Miss J's complaint but didn't recommend that Barclays refund her. The investigator wasn't satisfied that Barclays could've uncovered the scam as Miss J lied to Barclays and R when they intervened and asked her questions about the payments.

Miss J disagreed with the investigator's opinion and asked for an ombudsman to review the case. Miss J says while she told Barclays she was making the payments for a holiday, that wasn't a plausible reason taking into account the number of payments she made. And, had Barclays asked open questions, the scam would've been uncovered.

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.

When considering what is fair and reasonable, I'm also required to take into account: relevant law and regulations; regulatory rules, guidance and standards; codes of practice;

and, where appropriate, what I consider to have been good industry practice at the relevant time.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I've reached my decision on the balance of probabilities. In other words, on what I consider is more likely than not to have happened in light of the available evidence.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

Here it's not in dispute that the payments were authorised, albeit Miss J did so not realising she was the victim of a scam – but that doesn't make the payments unauthorised. So, the starting position is that Barclays isn't liable for the transactions.

The CRM Code doesn't apply to the payments Miss J made, as she made payments to an account held in her own name. The CRM Code only applies where payments are made to another person.

Should Barclays have prevented Miss J's loss?

Taking into account the law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider Barclays should fairly and reasonably have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams.

Also, I'd expect Barclays to have systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). And where a potential risk of financial harm is identified, to have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment.

I'm not satisfied that if Barclays had intervened on any of the payments Miss J made, that they could've uncovered the scam and prevented her loss. I'll explain why.

The first three payments that Miss J attempted to make from her Barclays account were flagged by their security system and blocked. In response, Barclays rang Miss J and left a voicemail. In the voicemail, Miss J was asked to call Barclays' fraud team.

Miss J says that this message came through when she was already on the phone to the scammers. Miss J told the scammers that she was concerned and ended her call with them. She says the scammer called back and persuaded her that he was calling from Barclays, so she continued making payments.

When Miss J talked to Barclays, they asked the reason she was making payments to her account with R, and she told them it was for a holiday. Barclays asked if anyone was pushing Miss J to make the payments, was telling her what to say to them, or if she had any suspicious communication recently. Miss J answered no to all of the questions.

Later in the same call, Miss J raises a concern that the payments she made from her Barclays account weren't showing in her account with R. Barclays recommend that Miss J contact R to find out why the payments hadn't gone through and Miss J said she would message R and used the name of a generic messaging app – not R's banking app. Barclays were concerned and asked if she was talking to someone on the messaging app and whether they had advised her to move money. Miss J changed her story and said she meant

R's banking app, and no one was advising her to move her money. At this point Barclays were so concerned that they blocked Miss J's account and told her she needed to attend a branch with identification.

This happened before Miss J made the payments from her account with R, but after she had made the last of the payments from her Barclays account.

Miss J has also shared messages between her and the scammer. In the messages, I can see that the scammer asked Miss J to share screen shots of her chat with R. Miss J has also told us that the scammer was telling her how to answer R's questions.

Based on what Miss J told Barclays in response to their questions, I'm not persuaded that it's more likely than not Barclays could've uncovered the scam. As, when Barclays tried to dig into the information Miss J had given them, she changed her story in order to prevent Barclays from uncovering the truth.

So, even if Barclays had asked additional questions to probe the payments Miss J was making, I think it's more likely than not the scammers would've told Miss J what to say in order to prevent the scam from being uncovered.

I'm also concerned that despite Miss J telling the scammers she thought it was a scam and hanging up after the voicemail from Barclays' fraud team, she continued to make the payments from her account with R regardless.

I'm really sorry that Miss J was the victim of a cruel scam and the serious impact the loss of these funds is having on her. But, based on the evidence, I'm not satisfied that I can fairly say Barclays could've uncovered the scam and prevented her loss. So, I can't fairly ask them to refund her.

My final decision

My final decision is that I don't uphold this complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 9 September 2025.

Lisa Lowe
Ombudsman