

## **The complaint**

Mr K, via a representative, complains that Barclays Bank UK PLC ("Barclays") have failed to refund the money he lost as part of an investment scam.

## **What happened**

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Mr K met someone on a dating website in 2021. Mr K says that when he was about to meet them in person, he was told that they had been in a car crash. Mr K helped pay for their medical treatment. Subsequently Mr K sent them around £50,000. Mr K says he was told that this person then sold their apartment to pay Mr K back, but the money got stuck in the SWIFT payment system due to the Ukraine war.

In May 2024 Mr K began investing with a scam company that I will call B. Mr K sent funds to what appears to have been a Lithuanian based crypto exchange and a money transferring company. The funds were then sent to B. These payments were predominantly by debit card. At first, Mr K said that he initially made profits. But when he tried to withdraw his funds he was given a variety of reasons as to why he had to make further payments to release his account balance. Between May and October 2024 Mr K sent B over £300,000 from his Barclays account, via a number of different crypto exchanges, again mostly via debit card. Although there seems to have been one open banking payment and a transfer. He also sent B funds by sending funds from his Barclays account to accounts he held with different providers.

Later in the scam, from what I have been provided with, Mr K became involved with a person who purported to be an employee of B, who then tried to "help" Mr K recover the funds that he lost with B.

Mr K asked Barclays to refund these payments, as he believes Barclays should have done more to prevent him from being scammed in the first place. Barclays did not agree with this.

One of our investigators looked into this matter and he thought that, given the amount of interventions that Barclays carried out during the scam and given that Mr K kept sending funds to B - even after reporting the scam - any further intervention from Barclays would not have stopped the scam. He therefore did not uphold this complaint.

Mr K did not agree with this and therefore his complaint has been passed to me to issue 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.

Firstly, I should explain that I have considered all the points that both parties have raised. But I will not address each of them in this decision, instead I will address the points that I think are most relevant to my decision. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

It isn't in dispute that Mr K authorised the disputed payments he made from his Barclays account. The payments were requested by him using his legitimate security credentials provided by Barclays, and the starting position is that Barclays ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.

However, I've considered whether Barclays should have done more to prevent Mr K from falling victim to the scam, as there are some situations in which it should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly out of character.

In this instance given the volume of payment and that they were crypto related, I think that Barclays should have intervened on a number of occasions. That said Barclays did intervene on a number of occasions and even invoked the banking protocol in May 2024. Despite this Mr K continued to send funds to B.

I also note that Mr K continued to send funds to B after he reported the scam to Barclays. I note Mr K's comments that all of these interventions were in relation to him being warned about the initial £50,000 that he sent to the person he met on the dating website. He says that if he had been told by Barclays that B was a scam and that the person who was pretending to be an employee of B was also a scammer, he would have stopped. But from the notes that I have been provided with, I am not satisfied that this was the case. I can see numerous times Mr K was warned that the payments he was making may be related to a scam and from the notes it suggests that Mr K was convinced that what he was doing was legitimate and on occasion the notes suggest that Mr K was not being entirely forthcoming with what he was doing.

There may have been occasions during these scams that Barclays should have queried a payment when it did not do so. But given the sheer number of intervention and calls I don't think any intervention - including closing Mr K's bank account - would have stopped him from continuing to be scammed. This is demonstrated to me, by Mr K changing the way he was sending payments during the scam whenever he had issues making the payments.

Taking everything into consideration, I think that Barclays took reasonable steps to protect Mr K, by intervening a number of times and warning Mr K that he was likely being scammed. It could perhaps be argued that Barclays could've intervened even more than it did. But even if it had intervened further, I don't think the scam would have been stopped.

I've also thought about whether Barclays could have done more to recover the funds after Mr K reported the fraud.

Barclays are under no obligation to refund the money to Mr K under the Contingent Reimbursement Model (CRM) Code. This is because the Code does not apply to transfers which the payer has effectively made to themselves.

In relation to the debit card payments, they seem to have been made as a means to purchase crypto which he duly received. So overall, as he got essentially what he had paid for (as the loss only occurred once the crypto was transferred out of Mr K's wallet), I don't think that Barclays could have challenged those payments either.

I appreciate this will likely come as a disappointment to Mr K, and I'm sorry to hear he has been the victim of a number of scams. However, I'm not persuaded that Barclays can fairly or reasonably be held liable for his loss in these circumstances.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 26 March 2025.

Charlie Newton  
**Ombudsman**