

The complaint

Mr H complains that Barclays Bank UK PLC has declined to reimburse all the payments he made in relation to an investment scam.

What happened

In July 2024, Mr H made several payments totalling over £10,000 to another of his accounts with a cryptocurrency provider before sending this on. Mr H initially thought he was investing and was able to withdraw small amounts, but he was then convinced to make larger payments before he could withdraw his profits.

Barclays reimbursed some of Mr H's loss – it calculated this based on determining that it should have identified the risk to Mr H and intervened on 15 July 2024. While Barclays accepted it could have prevented Mr H's loss from this point, it also thought he should bear some responsibility for his role in the matter and so it reduced what it paid Mr H by 50%. Barclays also paid Mr H interest on this amount plus £100 compensation.

Mr H referred his complaint to our service via a professional representative and asked for a full refund. The investigator didn't uphold his complaint – in summary they thought Barclays had already fairly settled the matter.

Mr H's representative didn't accept this outcome – in summary they said:

- Barclays ought to have intervened given the unusually large payments that would have appeared high risk and that this would have prevented Mr H's loss.
- Mr H undertook a reasonable amount of due diligence by undertaking research. And given the volatility of cryptocurrency, the profits were plausible to a novice.

As an agreement couldn't be reached, the matter has been passed to me for consideration by an ombudsman.

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 this complaint for similar reasons to the investigator.

It's common ground that Mr H authorised the payments as part of an investment scam. In broad terms, the starting position at law is that a payment service provider such as Barclays is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account.

But, taking into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Barclays ought to have been on the look-out for the

possibility of fraud and made additional checks before processing payments in some circumstances

I note that Barclays has accepted it ought to have identified that Mr H was at risk of financial harm from fraud on 15 July 2024 and that it accepts that if it had intervened at this point this would likely have prevented Mr H from incurring further loss.

I've focused on whether I think the point at which I would have expected Barclays to have intervened is sooner. I've reviewed Mr H's account statements and the payments in dispute. Having considered when they were made, their values and who they were made to, I'm not persuaded Barclays ought to have had concerns sooner before 15 July 2024. These payments were for relatively low amounts ranging from £50 to £1,400. I note that in addition to having a history of making similar value payments, Mr H had also made payments to the same cryptocurrency provider the previous year. However, for clarity, I agree that by 15 July 2024 a suspicious pattern had emerged, with the values and pace increasing, and so I would have expected an intervention that day – though likely not from the first payment on that day.

This means that I don't think Barclays ought to have done more than it has already accepted – in terms of intervening in the payments – before Mr H's complaint was brought to our service. And as I've said it's not in dispute that a proportionate intervention likely would have brought the scam to light and prevented Mr H's loss from that point on. However, as Barclays has only offered to reimburse 50% of the payments from this point in time, I've also considered whether this is fair.

Should Mr H bear any responsibility for his losses?

Having considered this point carefully, I think Barclays has acted fairly in making a deduction to the amount it reimbursed Mr H on the basis that he has been negligent which contributed to his loss.

I think there were several reasons for Mr H to have been concerned about the legitimacy of the investment including how it began. Mr H was added to a group message without requesting this when he wasn't looking to invest.

While the set-up process, investment tools, and people he spoke to may have initially reassured him alongside the research he undertook, I think there were reasons for him to have been concerned about the plausibility of what he was being promised.

Mr H was repeatedly told that there was essentially no risk if he followed the analysts' guidance because they would compensate him if there was a loss. For example, he was told *"One-to-one analysts will 100% guarantee your profits. If losses occur, the analyst will fully compensate your funds."*

When returns were discussed, high figures such as 60% and 100% profit were provided. And by 15 July 2024, Mr H's payments related to paying things like tax before he could access his profits – at this point he believed that after investing less than £3,000 he had made a profit of over 19,000 US dollars. While Mr H may not have had investment experience, I think most people would consider profits like this, in such a short period of time, with no risk, to be unrealistic. So, I think that by continuing to make payments on this basis, Mr H has fallen below the standard of the reasonable person. For these reasons I think Barclays has acted fairly in making a 50% deduction to the amount it reimbursed Mr H.

I note that Mr H has received some returns from the investment as part of the scam, and that Barclays has applied interest on the award it has already paid him. It has also paid Mr H £100 compensation. And as I've said, it has reimbursed all the payments from 15 July 2025

when I would have expected it to have intervened in a later payment that day. With this in mind, Barclays has paid Mr H more than I would have awarded in the circumstances. It follows that while I am very sorry that Mr H has been the victim of a scam, for the reasons explained I don't think Barclays needs to do anything further to put matters right.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 27 October 2025.

Stephanie Mitchell
Ombudsman