

The complaint

Mr H complains that Barclays Bank UK PLC (Barclays) is refusing to refund him the amount he lost as the result of several scams.

Mr H is being represented by a third party. To keep things simple, I will refer to Mr H throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr H was looking to create a passive income when he came across an advertisement for a company I will call "X". X explained the investment process to Mr H which included downloading screensharing software so X could assist Mr H with the investment process.

Mr H made payments as directed by X for over a month before leaving his funds in the investment to generate further profit.

In the meantime, Mr H was contacted by another company I will call "Y". Y offered a similar investment service to X and again guided Mr H through the investment process via the use of screen sharing software. Mr H then made multiple payments as guided by Y.

Mr H attempted to withdraw funds from both investments but found he was unable to and realised he had been scammed.

Mr H has disputed the following payments he says were made in relation to the scams:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	15 June 2020	X	Debit Card	£430.00
2	15 June 2020	X	Debit Card	£500.00
3	15 June 2020	X	Debit Card	£495.00
4	16 June 2020	X	Debit Card	£800.00
5	16 June 2020	X	Debit Card	£850.00
6	16 June 2020	X	Debit Card	£850.00
7	16 June 2020	X	Debit Card	£850.00
8	19 June 2020	X	Debit Card	£2,490.00
9	19 June 2020	X	Debit Card	£2,500.00
10	19 June 2020	X	Debit Card	£2,494.00
11	19 June 2020	X	Debit Card	£2,495.00
12	19 June 2020	X	Debit Card	£2,496.00
13	19 June 2020	X	Debit Card	£2,497.00
14	19 June 2020	X	Debit Card	£2,497.00
15	19 June 2020	X	Debit Card	£2,498.00
16	13 July 2020	Speedy Bits	Debit Card	£89.00
17	16 July 2020	Speedy Bits	Debit Card	£466.94

18	21 July 2020	X	Debit Card	£4,000.00
19	22 July 2020	Speedy Bits	Debit Card	£467.27
20	24 July 2020	Speedy Bits	Debit Card	£1,408.21
21	28 July 2020	Speedy Bits	Debit Card	£754.04
22	06 August 2020	Speedy Bits	Debit Card	£1,398.35
23	11 August 2020	Advanced Cash	Debit Card	£89.00
24	12 August 2020	Speedy Bits	Debit Card	£925.75
25	19 August 2020	Advanced Cash	Debit Card	£12.21
26	19 August 2020	Advanced Cash	Debit Card	£5,289.65
27	20 August 2020	Speedy Bits	Debit Card	£2,323.59
28	20 August 2020	Speedy Bits	Debit Card	£2,323.59
29	26 August 2020	Y	Debit Card	£10,000.00
30	16 September 2020	Speedy Bits	Debit Card	£2,380.67
31	16 September 2020	Speedy Bits	Debit Card	£2,380.67
32	18 September 2020	Advanced Cash	Debit Card	£8.25
33	18 September 2020	Advanced Cash	Debit Card	£3,311.10
34	25 September 2020	Speedy Bits	Debit Card	£1,039.71
35	06 October 2020	X	Debit Card	£4,999.00
36	06 October 2020	X	Debit Card	£4,501.00
37	21 October 2020	Speedy Bits	Debit Card	£1,882.42
38	10 November 2020	Speedy Bits	Debit Card	£517.27
39	30 November 2020	Speedy Bits	Debit Card	£931.58
40	06 January 2021	Advanced Cash	Debit Card	£1,257.11
41	06 January 2021	Advanced Cash	Debit Card	£4,714.14
42	15 March 2021	Simplex	Debit Card	£965.00

Our Investigator considered Mr H's complaint and didn't think it should be upheld. Mr H disagreed, so this complaint 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.

The evidence provided by both Mr H and Barclays sets out what happened. What is in dispute is whether Barclays should refund the payments Mr H has disputed.

Recovering the payments Mr H made

Mr H made the disputed payments via his debit card. When payments are made by card the only recovery option Barclays has is to request a chargeback.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. The card scheme operator ultimately helps settle disputes that can't be resolved between the merchant and the cardholder.

Such arbitration is subject to the rules of the scheme, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid and potentially succeed. Time limits also apply.

Unfortunately, Mr H made his complaint to Barclays outside of the allowed time to raise a chargeback and therefore Barclays has been unable to attempt a chargeback for the payments Mr H has disputed.

Should Barclays have reasonably prevented the payments Mr H made?

It has been accepted that Mr H authorised the payments that were made from his account with Barclays, albeit on X and Y's instruction. So, the starting point here is that Mr H is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Barclays should have been aware of the scam and stepped into question Mr H about the payments he was making. And if it had questioned Mr H would it have been able to prevent the scam taking place.

Mr H has complained about the loss he has incurred during at least two separate scams. The payments he made to X however, were made to a genuine business that is still in operation today. With the information available I am unable to say that the payments Mr H made to X were made in relation to a scam.

Whilst the investments Mr H made with this business may have been extremely high risk and as a result, he lost a lot of money this does not mean the funds were lost as part of a scam.

The payments Mr H made to X were generally low in value individually, but multiple payments were made to X on 19 June 2020 totalling almost £20,000. Considering the overall amount Mr H was sending I think Barclays should have had concerns that Mr H could have been at risk of financial harm, and it should have discussed the payments with Mr H.

But even if Barclays had intervened, I don't think this would have made a difference the payments Mr H was making were in relation to an investment and were being made to a legitimate business. As Barclays would not have had concerns about X, and it is not required to give investment advice, it is likely the payments would have continued as they did, had a discussion taken place.

The remaining payments Mr H has disputed do appear to be in relation to a scam. Other than payment 29 that was made to a business I have referred to as Y. Y also appears to be a genuine business and has therefore not been considered as a scam payment.

The payments that do appear to be in relation to a scam were made to several different payees over a seven-month period. While these payments varied in value the payments Mr H had previously made to X meant they did not seem suspicious and were in keeping with the way Mr H's account had been operated at the time.

With the above in mind the scam payments made from the 13 July 2020 would not have looked suspicious to Barclays, and I don't think it was unreasonable that Barclays didn't have concerns that these payments could have caused Mr H financial harm.

With the above in mind, I don't think it was unreasonable that Barclays did not intervene when the payments made in relation to a scam were made, and it is not responsible for Mr H's loss.

My final decision

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 15 August 2025.

Terry Woodham
Ombudsman