

The complaint

Mr H complains Barclays Bank UK PLC won't refund the full amount of money he lost to a scam.

What happened

Mr H made several payments to what he thought was a legitimate investment.

Barclays looked into the complaint but didn't uphold it. So, Mr H brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think any of the payments were of a value that ought to have triggered Barclays automatic checking systems.

Mr H didn't agree with the investigator's view. So, the 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.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I've thought carefully about whether Barclays treated Mr H fairly and reasonably in its dealings with him, both when he made the payments and when he reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Mr H's complaint. I know this will come as a disappointment to Mr H and so I want to explain why I've reached the decision I have.

I have kept in mind that Mr H made the payments himself, and the starting position is that Barclays should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr H did not intend for his money to ultimately go to fraudsters – but he did authorise these payments to take place. However, there are some situations when a business should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant law and regulations; regulators' rules, guidance, and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the

time – Barclays should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had 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). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so.

It's worth noting that some of the payments Mr H's representative have said were sent as part of the scam can't be evidenced through his bank statements. Mr H and his representative also haven't sent any evidence to show a scam took place or Mr H being asked to send any payments to anyone. So, my decision is based on the same payments the investigator has highlighted, as Mr H and his representative haven't sent anything to dispute her findings in relation to the payments following her view.

If I were to agree a scam has taken place (which I've seen no evidence of) I have reviewed the payments Mr H made that went to cryptocurrency platforms and having considered when they were made, their value and who they were made to, I'm not persuaded Barclays ought to have found any of the payments suspicious, such that it ought to have made enquires of Mr H before processing them. None of the payments reached a value that I think would have caused Barclays any concern that Mr H was at risk of financial harm.

As the payments were made by debit card the chargeback process is relevant here. The chargeback scheme is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law.

A chargeback isn't guaranteed to result in a refund; there needs to be a right to a chargeback under the scheme rules. Under those rules the merchant or merchant acquirer can defend a chargeback if it doesn't agree with the request. Unfortunately, the chargeback rules don't cover scams. These payments were also sent to other accounts in Mr H's name then moved on to. So, I haven't found Barclays did anything wrong when they didn't raise a chargeback.

These payments were also made by debit card, so the Contingent Reimbursement Model (CRM) Scheme is not a consideration in the circumstances of this complaint.

Mr H feels that Barclays should refund the money he lost due to the scam. I understand that this will have been frustrating for him. But I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Barclays needs to pay Mr H any further compensation. I realise this means Mr H is out of pocket and I'm sorry he's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

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 14 October 2025.

Tom Wagstaff
Ombudsman