

The complaint

Miss L is unhappy Barclays Bank UK PLC (“Barclays”) hasn’t reimbursed her after she fell victim to a bank impersonation scam.

What happened

The details of the complaint are well known to both parties, so I won’t go into too much detail here. However, in summary, Miss L has been the victim of a scam. She was tricked into sending £5,117.65 across a series of two payments from her Barclays account to another of her accounts, and then on to a scammer. Miss L had been tricked into believing she was sending her money to a safe account to protect it from fraud.

Miss L made the payments online so there was no interaction with anyone from Barclays. However, Miss L feels that Barclays should’ve identified the payments she was making as suspicious and discussed them with her before they were allowed to leave her account. Miss L believes that had Barclays done so, the scam would’ve come to light, and she wouldn’t have lost her money.

Barclays doesn’t agree that it could have done anything more than it did to protect Miss L. It said the payments hadn’t raised any suspicions at the time they were made. It also said there wasn’t anything it could’ve done to recover Miss L’s funds after she reported the scam either, because they had already been sent on to the scammer.

Miss L disagreed with what Barclays said and brought her complaint to this service. One of our investigators looked into things.

Our investigator didn’t uphold the complaint. They agreed with Barclays that there wasn’t anything about the payments that meant Barclays should’ve questioned them at the time. They also thought Barclays had done all it could to recover Miss L’s funds once notified of the scam but unfortunately the funds had already been sent on to the scammer.

Miss L didn’t agree with the investigator’s findings and as an informal agreement could not be reached, the case has been passed to me for a final 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.

In deciding what’s fair and reasonable, I’m required to take into account 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.

I'm really very sorry to hear about what's happened to Miss L. I understand this scam has had a considerable impact on her well-being and I have significant sympathy for the situation she has found herself in. But having thought very carefully about what she's told us happened at the time and Barclays' actions, I don't think it would be fair and reasonable for me to hold Barclays liable for her loss. I'll explain why.

It is accepted that Miss L authorised the scam payments herself. So, although she didn't intend the money to go to the scammers, under the Payment Services Regulations and the terms and conditions of her account, Miss L is presumed liable for her loss in the first instance.

Where a valid payment instruction has been received, Barclays' obligation is to follow the instructions that Miss L has provided. However, there are circumstances where it might be appropriate for Barclays to take additional steps or make additional checks before processing a payment in order to help protect its customers from the possibility of financial harm from fraud. An example of this would be when a payment is sufficiently unusual or uncharacteristic when compared with the usual use of the account.

In such circumstances, I'd expect Barclays to intervene and ask some questions about the intended payment(s) before processing. So, I've first thought about whether the payments Miss L made could be considered out of character and unusual when compared with her usual account activity.

I've reviewed Miss L's account statements for the months leading up to the scam, and I don't think the payments were remarkable enough for them to have stood out to Barclays and to have prompted further discussion. I'll explain why.

Miss L made two payments as part of the scam from her Barclays account. One for £2,616.27 and a further payment for £2,501.38 two minutes later.

The payments are for relatively modest amounts and they aren't inherently suspicious when considering that it is quite common for customers to process transactions up to this amount on a daily basis. Miss L had made payments that were similar in value before. And crucially in this case, the payments were being made to an account held in Miss L's own name.

So, overall, I'm not satisfied the scam payments should have stood out or looked so unusual when compared to Miss L's genuine account activity that they should've prompted further checks by Barclays before they were allowed to leave this account.

I have to stress that, at the time, Barclays wouldn't have known that Miss L was making payments at the request of a scammer. It is now only with the benefit of hindsight that we know that the payments were being made as the result of a scam. I have thought about the fact that the payments were made in quick succession. However, I don't think that this, in and of itself, was suspicious enough to mean that Barclays should've considered Miss L at risk of financial harm. Banks have to strike a balance between processing payments as per their customer's instructions and monitoring accounts for unusual and potentially harmful activity. And I don't think it would be fair to say that Barclays should've identified the payments Miss L made as suspicious enough to warrant further checks.

I've also thought about whether Barclays could've done more to help Miss L once it was notified of the scam but I don't think it could. The funds had already been moved on from Miss L's account to the scammer and so there wasn't anything Barclays could've done to recover the funds.

Finally, I want to say again that I am very sorry to hear about what has happened to Miss L. But at the same time, I don't think her loss was caused by any specific failing on behalf of Barclays. The fault here lies with the cruel and callous acts of the scammers.

My final decision

My final decision is that I do not uphold this complaint about Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 24 April 2025.

Emly Hanley Hayes

Ombudsman