

## **The complaint**

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

## **What happened**

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. In summary, Mr G fell victim to an investment scam.

When Mr G realised he had been scammed, he logged a complaint with Barclays.

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

Our investigator looked into the complaint but also didn't uphold it. Our investigator found Mr G had ignored warnings from the bank and had also been coached by the scammer in what to say when questioned.

Mr G didn't agree with the investigator's view. As no informal agreement could be reached, 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 G 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 this complaint. I know this will come as a disappointment to Mr G and so I want to explain why I've reached the decision I have.

I have kept in mind that Mr G made the payments, 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 G 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.

I have reviewed the payments Mr G made to the scam. Having considered when they were made, their value and who they were made to, I agree with the investigator when he has said that payment three ought to have concerned Barclays that Mr G may be at risk from financial harm. The payment was for £6,000 and this was much higher than any of the payments Mr G had made previously – it was also going to a known cryptocurrency provider.

Given the identifiable risk at the time, and what I deem to be a proportionate warning in the circumstances of the payment, I'm satisfied that Barclays should have asked Mr G a series of automated questions to get a better understanding of the payment purpose. Barclays should then have provided a tailored warning based on the answers Mr G provided. Here though, I'm satisfied it wouldn't have prevented the scam, I'll explain why.

Barclays did provide the warning I've described above on the first payment Mr G made. Here Mr G selected that he was buying cryptocurrency and Mr G was shown some characteristics of the scam he was falling victim to, but he proceeded to make the payment anyway. So, I'm not convinced any further warnings would have stopped Mr G from sending money to the scam.

Mr G was also directed to the Financial Conduct Authority's scam checker service, but Mr G chose not to use this. Here Mr G would have seen more red flags connected to the scam he was falling victim to. Had Mr G then done a basic online search following these warnings, he would have found one paid advert and nothing else to show the company existed or was a legitimate investment.

Mr G has sent us some of the conversations he had with the scammer, and I can see he was being told how to answer the questions the banks he was using were asking. So given he was being coached, he was bypassing relevant warnings, and hadn't done any relevant research based on these - I'm not convinced Barclays could have prevented this scam.

Mr G's other bank he used to send payments to the scam also gave him warnings with

relevant information to the scam, including warning him about companies promoting through social media websites (where Mr G found his investment) and returns being too good to be true (Mr G's capital increased from £2,000 to £50,000 in a very short period). These warnings also didn't prevent Mr G from sending money to the scammer.

Mr G 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 G any compensation. I realise this means Mr G 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.

As Mr G sent the money to accounts in his own name, before sending them on to the scammer, no recovery attempts by Barclays would have been possible.

### **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 G to accept or reject my decision before 21 October 2025.

Tom Wagstaff  
**Ombudsman**