

## **The complaint**

Mr and Mrs D have complained that Barclays Bank UK PLC won't refund the money they lost in a scam.

## **What happened**

Mr and Mrs D entered into a cryptocurrency investment scheme on the recommendation of a family member and the family member's friends. Unfortunately, this turned out to be a scam.

Over the course of 2021 to 2023, Mr and Mrs D sent around £83,000 from their Barclays account to their own cryptocurrency account, then sent crypto on to the scammers. Barclays questioned them about this a number of times, and Mr D assured the bank that they were just buying crypto of their own accord; they weren't investing through any company or being asked to make the payments by anyone or having their investment managed by anyone; they'd been recommended buying crypto by their family member and by friends the family member had known for many years including a financial consultant, who'd been successfully investing in crypto for years; they were experienced in other investments; they were able to withdraw; they'd researched and understood the crypto market; they were fully aware crypto was unregulated and what that meant and were happy to accept the risks; they could afford to lose this money and would not think Barclays were responsible for any losses; and so on.

In the end, Mr and Mrs D were unable to withdraw their funds and realised they'd been scammed.

In 2024, Mr and Mrs D complained to Barclays via representatives. Barclays didn't think they were liable for Mr and Mrs D's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr and Mrs D's representatives didn't agree and asked for an ombudsman's final decision, so the complaint's 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 understand that Mr and Mrs D fell victim to a scam, and so they have my sympathy. I appreciate this cannot have been an easy matter for them to face, and I appreciate why they would like their money back. It's worth keeping in mind that it's the scammers who are primarily responsible for their scam, and who really owe Mr and Mrs D the money back. But I can only look at what Barclays are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Barclays liable for Mr and Mrs D's loss. I'll explain why.

It's not in dispute that Mr and Mrs D authorised the payments involved. So although they didn't intend for the money to end up with scammers, under the Payment Services Regulations they are liable for the loss in the first instance. And broadly speaking, Barclays had an obligation to follow their instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Barclays should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them; though a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. Given factors like the size of these payments and them going to a crypto platform, I think Barclays probably should've intervened here. So I'm glad to see that they did – indeed, they intervened many times.

I've listened to the available calls and read the available notes. While it's possible that Barclays could've asked even more questions or given even stronger warnings, I'm afraid I've found that the primary reason why Barclays were unable to uncover the scam or deter Mr and Mrs D was because Mr D misled them and ignored relevant warnings. The cover story Mr D gave Barclays was plausible and consistent, and was told confidently, even when Barclays probed his answers. Mr D reassured Barclays that he was an experienced investor who was simply buying and holding the most established cryptocurrency at a well-known exchange on the advice of trusted family and associates, with no involvement of any broker or investment scheme, and with good understanding of the market and risks. Barclays gave Mr D relevant warnings, but he chose to proceed.

The representatives said Barclays should've warned Mr D clearly about the unregulated nature of crypto. But they did, and Mr D's answers demonstrated that he was already aware of this and aware of the risks, such as not being able to get his money back should the exchange go out of business. The representatives also said that Barclays should've been aware of the existing warning about the scammers' investment scheme. But Mr D never mentioned the investment scheme – he denied the involvement of any scheme and was repeatedly clear that he and Mrs D were just buying and holding crypto of their own accord, waiting to sell it at a better price, with no broker or scheme involvement. So because of Mr D's answers, Barclays couldn't have known the scammers' scheme was involved.

The representatives also felt Barclays should've uncovered the scam by working out that Mr D was not telling the truth about being able to withdraw. But Mr and Mrs D had received money from their crypto account into their Barclays account, and Mr D had also told Barclays he had accounts at other firms too. So I don't see that Barclays had good reason to think Mr D was misleading them about being able to withdraw. Barclays were not on notice that Mr or Mrs D were vulnerable, and Barclays could also see that Mr and Mrs D had made previous crypto payments and other investments.

Overall, given the misleading but consistent and plausible answers Mr D gave, and given that he ignored relevant warnings, I find it's most likely that reasonable intervention would not have uncovered this scam or prevented Mr and Mrs D from going ahead.

Finally, I've considered what Barclays did to try to recover Mr and Mrs D's money after they told Barclays about the scam. Unfortunately, given the time that had passed, and given that the funds had gone to their crypto wallet then been sent on, it wasn't possible for Barclays to get that money back. And as these were payments to their own cryptocurrency account, they were not covered by the CRM Code for scams

So while I'm very sorry to hear about what the scammers did to Mr and Mrs D, I don't think Barclays can fairly be held responsible for their loss. And so I can't fairly tell Barclays to reimburse Mr and Mrs D in this case.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Mrs D to accept or reject my decision before 26 August 2025.

Adam Charles  
**Ombudsman**