

## **The complaint**

Ms O complains that Barclays Bank UK PLC failed to sufficiently intervene causing her to fall victim to an authorised push payment (APP) romance and investment scam.

## **What happened**

The background to this complaint is well known to both parties, and is not in dispute, so I won't repeat it in detail here. In summary, Ms O, due to her vulnerable situation, was manipulated by an individual (the scammer) she believed she was in a relationship with. The scammer persuaded her to invest funds with him, in exchange for promised high returns, and loan him funds to help with personal circumstances. Ms O subsequently realised this was a scam when the scammer did not return any of her funds or expected investment profits. The scammer then ceased all communication with her.

In total using her Barclays account, via a money remittance service, Ms O sent the scammer almost £7,000 between May 2022 and May 2023. Ms O subsequently raised her scam concerns with Barclays and requested a refund of all her payments. She raised a complaint, however, told us that Barclays failed to investigate it and instead just closed her case.

Briefly, our Investigator didn't uphold Ms O's complaint as she did not consider that the value or frequency of the payments should have been of concern to Barclays. She also did not think Barclays could have identified Ms O was vulnerable at the time of the payments. As our Investigator couldn't resolve the matter informally 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.

I'm 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 focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. 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 don't doubt Ms O has been the victim of a romance and investment scam here – she has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean she is automatically entitled to recompense by Barclays. It would only be fair for me to tell Barclays to reimburse Ms O for her loss (or a proportion of it) if: I thought Barclays reasonably ought to have prevented all (or some of) the payments Ms O made, or Barclays hindered the recovery of the payments Ms O made – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I have kept in mind that Ms O made the payments herself and the starting position is that Barclays should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. I appreciate that Ms O did not intend for her money to ultimately go to a scammer – but she did authorise these payments to take place. However, there are some situations when a bank 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 to counter various risks, including 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, take additional steps, or make additional checks, before processing a payment, or in some cases decline it altogether, to help protect customers from the possibility of financial harm from fraud.

So, I've thought about whether the transactions should have highlighted to Barclays that Ms O might be at a heightened risk of financial harm due to fraud or a scam.

The type of payments that money remittance services are generally used for tend to be different to other payment service providers like banks and building societies. I don't dispute Ms O's point that these were reasonably large payments. However, it is not unusual for individuals to send larger payments to such services, for them to be converted into another currency and then transferred to another country. Keeping this in mind, alongside the value of the payments, and the number of months in over which they were made, I don't think there was anything particularly unusual about the individual transactions Ms O completed that I think ought to have flagged as suspicious to Barclays.

I've noted Ms O states there was a pattern that Barclays should have seen as an indicator she was falling victim to a scam. She highlights she made these payments circa every three months. However, in isolation of any wider red flags, payments being sent to a money remittance service every three months is not something I would consider a common hallmark of the type of scams Ms O was falling victim to.

Ultimately, there are many payments made by customers each day. It's not reasonable to expect Barclays to stop and check every payment instruction to try to prevent fraud, scams or financial harm. There's a balance to be struck between the extent it intervenes in payments to protect customers and not unnecessarily disrupting legitimate payment instructions.

I am sorry to hear about the vulnerable situation Ms O is in due to no fault of her own. I have considered all the circumstances she outlined to us, however I will not highlight them here due to their sensitive nature. Although I've seen no evidence Barclays was aware of these circumstances, the regulatory expectation is for financial institutions to be aware that all account holders are at risk of becoming vulnerable. This does not mean, in isolation of any red flags indicating a vulnerability, that each account holder is questioned as to their current wellbeing or whether something has occurred which has now made them vulnerable. I'll add the expected level of awareness does not mean banks should interrogate its customers.

In Ms O's case I have not seen there were any indicators during the scam that Barclays should have been aware she may be vulnerable and therefore more susceptible to fraud or scams. I do not consider large payments in isolation would be an indicator. So, I do not think Barclays could have, or ought to have, acted any differently whilst Ms O made these payments.

I'm very sorry to disappoint Ms O as I don't doubt this was a cruel scam conducted by someone she trusted. I also do not underestimate the impact this scam has had on her already difficult situation. However, I don't think Barclays could reasonably have known she was falling victim to a scam. So, it wouldn't be reasonable for me to ask it to refund the payments she made.

#### The Contingent Reimbursement Model Code

Although Barclays has signed up to the Contingent Reimbursement Model Code, the payments Ms O made were completed using her debit card. Payments made this way are not covered by the Code. I cannot fairly and reasonably say that Barclays should have to refund payments under the Code when it doesn't apply here.

#### Recovery

The only method of recovery Barclays has for payments made by card is to request a chargeback. However, Ms O didn't make the card payments to the scammer directly, she paid the funds to a money remittance provider. The service was provided as can be seen by the scammer having received the funds in line with her request. The fact that the funds went to what turned out to be a scammer doesn't give rise to a valid chargeback claim against the merchant Ms O paid. Additionally, by the time Ms O was aware of the scam it was outside of the scheme provider's rules for a chargeback to be successful.

Therefore, Barclays could not have taken any further recovery action after Ms O alerted it to the scam and so I won't be asking it to do anything further.

#### Barclays handling of the complaint

I appreciate that Ms O doesn't believe that Barclays investigated her concerns, but instead just closed her complaint. I do accept there was clearly some confusion here as the summary resolution correspondence is not what Ms O expected to receive from Barclays. Ms O was no doubt expecting to receive correspondence suggesting a more thorough review had occurred – which I'll add may most likely have been completed. However, as Barclays decided it was not going to compensate Ms O for her scam losses the complaint would ultimately have been sent to us either way. Therefore, I do not think Barclays including further details would have dissuaded Ms O from wanting to proceed with her action – either through us or the courts. By not supplying Ms O with a fuller investigation outcome Barclays just prevented itself from having the opportunity to resolve the complaint without our involvement

#### **My final decision**

For the reasons given, my final decision is that I don't uphold this complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 6 October 2025.

Lawrence Keath  
**Ombudsman**