

The complaint

Mrs R is unhappy Barclays Bank UK PLC will not refund all the money she lost as the result of a scam.

What happened

As both parties are aware of the details of the scam I will not repeat them in full here. In summary, Mrs R fell victim to a job/task scam. She found an online role that gave her the opportunity to complete tasks (rating apps) in order to earn commission. She was told that to access the tasks she first needed to make upfront payments. She made the following payments by debit card to an account in her name at a money transfer service. From there she the forward the payments to accounts provided by the scammer.

payment	date	value, £
1	04/08/2024	4.59
2	05/08/2024	140.99
3	05/08/2024	472.99
4	05/08/2024	1129.99
5	06/08/2024	1360.99
6	06/08/2024	1463.99
7	06/08/2024	1648.99
8	07/08/2024	1546.99
9	09/08/2024	1809.99
10	09/08/2024	1809.99

Mrs R realised she had been scammed when she was unable to access her commission without first making more payments. She reported this to Barclays on 12 August 2024. Unhappy with how it responded she raised a complaint. Barclays then refunded 50% of all payments and paid £50 compensation to apologise for not reaching this decision in its first investigation.

Mrs R says Barclays ought to cover 90% of her losses as it should have done more to protect her.

Our investigator said that Barclays' settlement offer was fair and it was reasonable Mrs R should be liable for half her loss. He also found an eleventh transaction for £406.99 on 6 August 2024 that was part of the scam but had been overlooked. Barclays agreed to arefund 50% of this payment. He also explained that the principles of the CRM (Contingent Reimbursement Model) code were not applicable in this case as the payments were made by debit card, and to an account in Mrs R's name.

Mrs R asked for an ombudsman's review. She said she has ongoing mental health issues like depression and anxiety and following her husband's stroke she her circumstances were difficult. She was not in the right frame of mind when she made these payments, and

Barclays has already accepted it did not do enough to protect her. And it passed her from department to department when she called to report the scam. She would accept an 80/20 split of the liability.

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.

There's no dispute that Mrs R made and authorised the payments. At the stage she was making these payments, she believed she was transferring funds via a money transfer service to allow him to access tasks as part of a job opportunity. I don't dispute Mrs R was scammed and she wasn't making payments for the reason she thought she was, but I remain satisfied the transactions were authorised under the Payment Services Regulations 2017.

It's also accepted that Barclays has an obligation to follow Mrs R's instructions. So in the first instance Mrs R is presumed liable for her loss. But there are other factors that must be considered.

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what was good industry practice at the time, I consider it fair and reasonable that in August 2024 Barclays should:

- have been monitoring accounts and any payments made or received 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 firms are generally more familiar with than the average customer;
- 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;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

It is in this context that I have considered Barclays' response to Mrs R's complaint. It has refunded 50% of all payments, thereby accepting it could have done more to protect Mrs R's money. What remains in dispute between the parties – and what I therefore need to make a finding on – is whether Mrs R should bear some responsibility for the overall loss, and if so how much?

I've considered carefully whether Mrs R should hold some responsibility for her loss by way of contributory negligence. Accepting that she is not the fraud expert - that is the role of Barclays, I do think she missed some clear signs that the opportunity might not be legitimate. Having to pay money upfront to do a paid job is unusual and should have raised Mrs R's suspicions, particularly as it seems Mrs R had no contractual terms of employment to review and accept, nor was there any documentation setting out the terms of the upfront payments. And to have to make such payments via a money transfer service to different named individuals in different currencies and countries should also have been a red flag.

In the round, I have not seen that Mrs R carried out an adequate level of independent checks to address these anomalies before going ahead. It follows I think the parties are equally liable.

Mrs R has told us she how she was vulnerable and having financial difficulties at the time, and I am sorry to hear this. I don't doubt this could have impacted her decision-making but this does not change my finding on the fair split of Mrs R's losses as there were clear red flags that unfortunately she did not take into account. And the bank had not been made aware of her mental health conditions until she reported the scam.

I have then considered if Barclays did what we would expect to try to recover Mrs R's money once she reported the scam. As the payments were made by debit card the opportunity to recover the funds would be through the chargeback scheme. But I don't consider that any chargeback claims would have had any prospect of success. There would have been no valid chargeback right given there was no dispute that the money transfer service provided the services it 'sold' to Mrs R. The funds appeared in her account there which she subsequently sent to the scammer. So, I can't say there was any failing in this regard on Barclays' part.

Finally, Mrs R said Barclays' service was poor when she reported the scam. It has acknowledged its initial investigation was not effective and paid £50 compensation for this. I think this is fair – I also note Mrs R did not respond to the two further information request the bank had sent her which will have hindered its progress.

Putting things right

Barclays has already refunded 50% of the payments listed in the 'What happened' section, plus interest, and paid the £50 compensation.

It should now refund 50% of the additional payment of £406.99 as agreed. It should pay interest on this amount at the rate of 8% simple per year from the date of the payment to the date of settlement, providing a tax deduction certificate if Mrs R asks for one.

My final decision

Barclays has already paid 50% of payments 1 to 10 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Barclays should now pay 50% of the additional payment as set out above, if it has not already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 30 September 2025.

Rebecca Connelley
Ombudsman