

The complaint

Mr C complains Barclays Bank UK PLC ('Barclays') hasn't reimbursed him after he fell victim to a cryptocurrency investment scam.

Mr C's complaint is brought through professional representatives. But for ease I'll refer mostly to Mr C throughout this decision.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Mr C was contacted on social media by an individual (the scammer) whereby they built a friendly rapport. As time passed, Mr C felt they'd developed a close connection. Eventually contact moved to phone calls and direct messages and trust was built between the two. Mr C felt a relationship was developing and it was at this point the scammer introduced him to the idea of investing.

Due to the relationship that had developed, Mr C was intrigued by the proposition presented by the scammer. He'd been aware of cryptocurrency prior to this and so his interest was piqued, and he felt compelled to look into the opportunity further.

Mr C began investing at the scammers instruction and he believed he was making profits. Between the period of May 2023 and January 2024 Mr C made payments to the scam. Mr C's losses to the scam from his account with Barclays amounted to around £100,000. The large majority were payments to a cryptocurrency exchange, whilst others were international payments.

Mr C eventually attempted to withdraw his profits. And when he was unable to, he realised he'd fallen victim to a scam.

Mr C raised a complaint with Barclays through his professional representative before bringing it to this service. Our investigator didn't uphold Mr C's complaint. He explained that Barclays discussed a number of payments lost to the scam with Mr C. And as a result, he wasn't persuaded that Barclays could reasonably have stopped the scam as Mr C repeatedly did not disclose the truth about what was happening when questioned.

Mr C's professional representatives disagreed and argued that it's well known that scammers groom consumers and Barclays ought to have been aware of this. It also said that had Mr C been asked how he was initially contacted by the alleged investment company, it would have become clear he was falling victim to a scam. It also said that Barclays never intervened on the last few payments and it considers it should have.

Our investigator advised that the questions suggested, were asked of Mr C and he did not provide an accurate representation of the payments. As such Barclays were unaware of the true risks of the payments. And whilst he acknowledged that Barclays didn't intervene on the

last few payments, he wasn't persuaded the scam would've been uncovered in light of the multiple interventions that had already taken place.

As agreement couldn't be reached, the case 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.

It isn't in dispute that Mr C authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Barclays is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

The question I have to consider here is whether Barclays should have identified a risk of financial harm through fraud or identified the risk of a scam and intervened when Mr C made the payments. I then have to consider whether an intervention by Barclays would have prevented Mr C making the payments that were lost to the scam.

What we do know is that Barclays intervened on a number of occasions for both outgoing and attempted payments being made by Mr C between the period of 5 May 2023 (the first disputed transaction) and 22 June 2023. I think the majority of the calls that took place were handled well by Barclays asking appropriate questions both open and closed of Mr C to better establish whether or not he might be falling victim to a scam. And having carefully considered the responses provided by Mr C, he was adamant on proceeding with the payments, even when he had been warned about the risks involved and that if this turned out to be a scam Barclays wouldn't be able to recover his money. Whilst on occasion Mr C had made mention of the involvement of a 'broker', that it was he carrying out the trading. At one point Barclays did question why Mr C was simply unable to send the money he was paying directly to the broker, instead of transfers being made to his own wallet and before moving them on. And during this interaction, he reiterated several times that if Barclays were going to make it difficult, they ought to cancel the payments and he would find another way of transferring the money instead. Indeed, we can see that Mr C did in fact utilise an account he held with THE CO-OPERATIVE BANK P.L.C. ('The Co-op') to facilitate other payments which were also lost to the scam. Mr C maintained to Barclays on numerous occasions when asked, that he'd carried out his own due diligence, he'd set up his own wallet, there was no third-party involvement and he wasn't being told what to tell Barclays in response to the questions it asked.

I'm mindful that Mr C has also provided only a small window of his direct interactions with the scammer. And this evidence only covers a small period in January 2024 – towards the end of the scam. It's clear from this evidence that whilst Mr C's loss was in relation to a cryptocurrency investment scam, there were also aspects of a romance scam ongoing here too. Mr C can be seen following every instruction he was being given by the scammer about making further payments towards the scam. And these payments took place at a time when Mr C had confirmed that he'd been locked out of three cryptocurrency exchanges.

Lastly, in response to our investigator Mr C advised that *'I did research on crypto investment and searched on the company, including talking to an existing investor. I could find no detrimental reviews at the time of investing. In hindsight, I was in a vulnerable emotional position susceptible to manipulation by the scammer. I genuinely believed that they were legitimate and was determined to make the payments to facilitate the investment. This was until the final few weeks of the association with them'*.

Whilst Mr C's professional representatives argue that Barclays ought to have also intervened on the final payments, it's arguable. Considering their values at the time, these were very much in keeping with the operation of Mr C's account at the stage – even with the added factor of them being international payments. And in any event, even if Barclays had intervened, bearing in mind the interventions that had already taken place and the grips of the spell Mr C was under by the scammer, I can't agree that any intervention would have prevented his losses or that he wouldn't have found another way to facilitate further payments instead – such as from another account.

Furthermore, Mr C has also brought a complaint to this service in relation to losses that took place to this same scam from his account with The Co-op. That is the subject of a separate complaint. But I can't ignore that Mr C had interactions with The Co-op that played out very similarly to those he had with Barclays.

I can only ask Barclays to reimburse Mr C if I find any wrongdoing on its part caused his loss. That concept is one his representative should be very familiar with. Yet it has not sought to substantiate its arguments as to why better questioning would have resulted in Mr C acting any differently given the grips of the spell he was under by the scammer.

I've considered whether there are any ways Barclays could have recovered Mr C's money, but I don't consider it could have. Mr C bought genuine cryptocurrency with the funds which he sent on as part of this scam. So he did receive what he paid for, even if he then lost it due to the scam. And for the international payments, given how long it took Mr C to report the scam and recovery here being on a best endeavours basis, I think it's unlikely any funds were available to be recovered.

In conclusion, I recognise Mr C has been the victim of a cruel scam and I'm very sorry he's lost a large sum of money. I realise the outcome of this complaint will come as a disappointment, but for the reasons I've explained, I won't be asking Barclays Bank UK PLC to make any refund.

My final decision

For the reasons given above, 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 C to accept or reject my decision before 27 October 2025.

Mark O'Connor
Ombudsman