

The complaint

Mr P complains that Barclays Bank UK PLC ('Barclays') won't refund the money he lost after falling victim to a scam.

What happened

In 2023, Mr P was contacted via text message by someone he didn't know regarding meeting up. He responded to let the sender know they had contacted the wrong person. I'll refer to the person who contacted Mr P as L.

Mr P and L started communicating via a messaging app and ended up talking daily. Mr P says they built a friendship and as part of their conversations L said she made additional income from remote working and online trading. Mr P was interested, so L got Mr P to download apps and took him through training for both a remote working role and online trading.

Mr P initially made payments from an account he held with another bank – I'll refer to this bank as Bank A.

These are the payments that Mr P made as part of the scam from his Barclays account. B are a company that offer payment processing services and digital asset services. The payments Mr P made from his Barclays account were to purchase cryptocurrency which was paid into a wallet in his name.

Date	Transaction detail	Amount
14.11.2023	Payment to B	£2,000
15.11.2023	Payment to B	£2,000
11.12.2023	Payment to B	£800
11.12.2023	Payment to B	£750
11.12.2023	Payment to B	£750
11.12.2023	Payment to B	£750
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
11.12.2023	Payment to B	£500
15.12.2023	Payment to B	£750
15.12.2023	Payment to B	£750
15.12.2023	Payment to B	£500
15.12.2023	Payment to B	£500
15.12.2023	Payment to B	£500
15.12.2023	Payment to B	£500

15.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
28.12.2023	Payment to B	£500
	Total payments	£19,550

Mr P raised a scam claim with Barclays, who declined to refund him. Barclays said Mr P hadn't evidenced that he suffered a loss and asked that he supply a transaction history from his cryptocurrency wallets.

Mr P wasn't happy with Barclays' response, so he brought a complaint to our service.

An investigator looked into Mr P's complaint and initially didn't uphold it. The investigator wasn't satisfied that Mr P had evidenced his loss as it was unclear if any funds remained in this cryptocurrency wallets.

In response to the view, Mr P provided a transaction history on a cryptocurrency wallet in his name. However, the transactions on the wallet didn't match the payments that Mr P had made from his Barclays account.

The investigator issued a second view, explaining that they still weren't satisfied that Mr P had evidenced the loss he'd suffered. However, the investigator additionally explained that even if they had that evidence, they still weren't satisfied they could hold Barclays liable or ask Barclays to refund Mr P. The investigator felt the payments were out of character and that Barclays should've intervened when they were made – which they had. However, Mr P wasn't honest with Barclays about the reason for the payments and ignored warnings given by Bank A that he the victim of a scam and continued making payments regardless.

Mr P disagreed with the investigator's opinion, raising the following points:

- The scam has caused serious financial harm and difficulty for Mr P and his family.
- Barclays should've stopped the payments and asked him to attend a branch so they could explain that he was most likely the victim of a scam.
- We've been biased in favour of Barclays and not held them accountable.

As the case couldn't be resolved informally, it was passed to me for 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 really sorry that Mr P has been the victim of a very cruel scam and the impact this has had on him. But, having carefully considered the evidence, I've reached the same answer as the investigator.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where

appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

However, Barclays should have been on the 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. And, 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.

Mr P hasn't provided us with clear statements of his cryptocurrency wallets, so I'm unable to verify the loss he's suffered as there may be funds left in his cryptocurrency wallet to offset the payments he made. However, even if he could provide this evidence, I still wouldn't uphold his complaint. I'll explain why.

While I'm not satisfied that the first two payments Mr P made were unusual or out of character for his account, I'm satisfied that Barclays should've identified a potential risk of financial harm on 11 December, based on the high volume of payments Mr P made in a short period of time. This pattern can be common in the case of fraud, so Barclays should've intervened on 11 December – which they did.

In some of the calls Barclays had with Mr P on 11 December, I'm not satisfied that they asked the sort of questions I would've expected. I say this as while they asked questions about Mr P's cryptocurrency wallet and whether he had access to the funds in it, they didn't question whether the cryptocurrency wallet was part of a multi-stage scam with another wallet or account being the end destination of his funds. If they had probed more, they would've identified that the money was being moved out of the cryptocurrency wallet and into a trading account.

But, even if Barclays had provided better intervention, I'm not persuaded this would've prevented Mr P's loss.

Prior to Mr P making the payments from his Barclays account, he had been making payments from an account he held with Bank A. Bank A had concerns about the payments Mr P was making in October 2023 and referred Mr P to their branch to discuss the activity. As part of that discussion, Mr P was given a leaflet about scams and asked to watch a video. Bank A told Mr P they thought he was the victim of a scam, but Mr P didn't agree and continued making payments.

When talking to Barclays and Bank A, Mr P lied in response to questions asked. He told Barclays that his friend got him into cryptocurrency investing, and he'd known her for a few years, when he'd only known her for a few months. He was also directly asked if he had been told what to say to the bank, told to lie to the bank or been coached, and he said no. But, in his messages with the scammer in October 2023, I can see Mr P was told that if the bank asked the reason for the payment, he should say it was for his business partner and that he was transferring funds for business activities. He was also told not to mention investment, lending or finance to the bank and Mr P asked the scammer to write out exactly what he had to say to the bank.

In October, prior to talking to Bank A, Mr P had concerns about what the scammer was telling him and questioned whether it was a scam. He said he'd seen something about a cryptocurrency scam with someone losing £120,000, which concerned him. And a few days later he told the scammer he'd watched a UK TV programme which talked about cryptocurrency scams. The scammer told Mr P that he would be fine as they were only using platforms she knew and trusted.

So, even before Bank A or Barclays intervened and raised concerns about the payments Mr P was making, he had his own concerns about the legitimacy of the investment. And, despite having those concerns, being warned by Bank A, and then being warned by Barclays – Mr P continued making payments.

I can hear in the calls with Barclays that Mr P became very frustrated when they blocked his payments, and he told them he would close the account and transfer his money elsewhere if they wouldn't allow the payments to go through.

It's clear that Mr P was under the spell of the scammer, and I'm satisfied that it's more likely than not, even if Barclays had refused to follow Mr P's payment instructions or allow further payments, that Mr P would've found a way to continue to make payments. Even if that meant opening a new account or using a different bank.

On that basis, I'm not persuaded that Barclays could've prevented Mr P's loss.

Mr P says that if Barclays had made him go into the branch and explained about investment scams, that it would've affected his decision making. But I'm not persuaded it would have, as Bank A taking that action didn't have any impact and he continued making payments regardless.

I understand that the loss of these funds has seriously impacted Mr P and caused him financial difficulties, and that he will be extremely disappointed with this outcome. But, for the reasons given above, I'm not satisfied that I can fairly hold Barclays liable for his loss or ask them to refund him.

My final decision

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 Mr P to accept or reject my decision before 28 May 2025.

Lisa Lowe
Ombudsman