

The complaint

Mr G complains that Barclays Bank UK PLC won't refund him the money he lost after he fell victim to a scam.

What happened

In or around February 2023, Mr G was introduced to an investment opportunity. Believing everything to be genuine, Mr G sent three payments, totalling £25,000, from an account he held with his wife with another banking provider. The payments went to an account that was held with Barclays.

Mr G realised this was a scam, when the fraudsters started to ask for fees and the expected returns weren't received. Mr G raised the matter with Barclays as he didn't think it had fulfilled its responsibility under the Contingent Reimbursement Model (CRM Code). Barclays looked into Mr G's complaint, but it didn't uphold it. In summary, it didn't think it had made any errors in its operation of the receiving account. So, it didn't agree to refund the payments Mr G had made.

Unhappy with Barclays response, Mr G brought his complaint to this service. One of our Investigators looked into things but didn't think the complaint should be upheld. In summary, it was our Investigator's view that Barclays had acted correctly when opening and monitoring the account. She added that Barclays had taken appropriate action when notified of the scam and had been able to recover £18.08, but there was nothing it could have done to have protected Mr G's funds or prevented the loss.

Mr G didn't agree with our Investigator's view. As agreement couldn't be reached the complaint 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 mindful that, in his submissions to this service Mr G has referred to other victims of this scam, who have received refunds of payments they had made to a different receiving bank account, which was held with a different banking provider. However, to clarify, this decision focuses solely on the actions of Barclays as the receiving bank for the payments Mr G made. The specific circumstances of payments made by other consumers to other banks are likely to be different, even if, on the face of it, they appear to be similar.

Having thought about everything carefully, I don't think it would be fair to require Barclays to refund the money Mr G has lost here. I understand that this will be disappointing for Mr G, I appreciate he has been the victim of a scam and I don't underestimate his strength of feeling. But, unfortunately, being the victim of a scam doesn't automatically entitle a customer to a refund from the bank the money was sent to. I'll explain why.

Barclays has signed up to the Lending Standards Board's CRM Code, which I mentioned above. This code sets out what is expected of both the bank that sent the money and the bank that received the money – which in this case is Barclays.

In summary, the obligations for the receiving bank state it should:

- take reasonable steps to prevent accounts from being used to launder the proceeds of Authorised Push Payment (APP) scams
- have procedures to prevent, detect and respond to the receipt of funds from APP scams; and
- where the receiving bank identifies funds where there are concerns that they may be the proceeds of an APP scam, to freeze the funds and respond in a timely manner

So, with this in mind, I have carefully considered Barclays' obligations here.

Barclays has shared information with this service as part of its obligations under the CRM code, which has allowed me to investigate Mr G's complaint. I am limited in what I can share with Mr G due to Data Protection laws, as this information is confidential. But I can assure Mr G that I have carefully reviewed all the information provided before issuing my decision.

Having looked at the information Barclays has provided, I can't say there was anything that should have caused it any concern about the way the account was opened or the information and identification it was provided. I also don't think there was any indication at the time that the account would be later used for fraudulent activity.

I've gone on to consider whether the activity on the receiving bank account ought reasonably to have caused Barclays any concern. Whilst data protection reasons mean I can't share any information with Mr G, I don't think there was anything relating to the activity on the account that should have prompted Barclays to have any concerns prior to the payment Mr G made into the account.

Finally, I've considered Barclays' action once it was notified of the scam. Unfortunately, by the time Barclays were made aware, most of the money in the account had already been removed and there was only a relatively small amount recovered. So, I don't think anything it could reasonably have been expected to do would have led to any more of Mr G's money being recovered.

I'm very sorry to hear of what has happened to Mr G. He has been the victim of a cruel scam, and I appreciate that this outcome will come as a disappointment to him. But, for the reasons I've set out above, I don't think Barclays has made any errors here or that it would be fair to require it to refund the money he lost.

My final decision

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 G to accept or reject my decision before 26 December 2025.

Stephen Wise
Ombudsman