

## **The complaint**

Mr S complains that Barclays Bank UK PLC refuses to fully reimburse him for the money he believes he lost in an investment scam.

## **What happened**

Mr S says that in early 2020, he was introduced to an alleged investment opportunity through a friend. He said that his friend had been dealing with the alleged investment company and told him how he earned money, so he was convinced to try it himself. Mr S was then put in contact with the scammer.

Mr S says the scammer introduced him to a platform - I'll refer to as C. He said he could see his profit growing there and he interacted with the scammer on a daily basis for weeks. Mr S says that he was then introduced to another platform – I'll refer to as G, where he was advised he would be able to get back some of the losses he'd invested with C. Mr S said that having checked online, the platform looked genuine and he'd also spoken to his friend about their own experience prior to investing. Mr S says his loss to the scam was around £63,000.

Mr S through his professional representative raised a complaint with Barclays. It said Mr S had fallen victim to a widely accepted scam operated by C and therefore Barclays ought to refund Mr S in full under the Contingent Reimbursement Model (CRM) Code. Barclays rejected Mr S's complaint. It explained this was because Mr S was asked for information to assist in its investigation and as this wasn't provided it couldn't complete a full and comprehensive investigation.

Mr S subsequently brought his complaint to this service, but our investigator didn't uphold it. While he accepted that Barclays ought to have intervened when the third disputed transaction was made due to its value, he wasn't satisfied this would have prevented his losses as a result of how convinced Mr S was by the alleged investment.

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.

Before I proceed any further with my decision, I'm mindful that Mr S's representative's have made reference to the CRM Code on multiple occasions as reason for why a full refund ought to be provided. I must make clear that the CRM Code doesn't apply in Mr S's case. That's because the disputed transactions were debit card payments, or international payments – which aren't covered by the Code.

In broad terms, the starting position at law is that a bank such as Barclays 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.

It isn't in dispute that Mr S 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 S made the payments. I then have to consider whether an intervention by Barclays would have prevented Mr S making the payments that were lost to the scam.

I'm in agreement with our investigator that by the third disputed transaction, given its value Barclays ought to have intervened. From what's known about the payment, Mr S carried out the payment in branch. As such, there would've been a natural opportunity for branch staff to discuss the payment with Mr S. He told our investigator that he had no warnings from Barclays that he might be falling victim to a scam. Barclays also confirmed that its records show that whilst Mr S provided identification when making the payment, their records do not detail any conversations held with Mr S. And due to the time elapsed, it wouldn't be appropriate to contact the branch to ask what they recall. Therefore, I can't be satisfied that Barclays did do enough when Mr S was making this payment.

But I can only ask Barclays to reimburse Mr S if I find that any wrongdoing on its part caused his loss. And where something didn't happen that should have, I'm required to make this decision based on the balance of probabilities; that is, what I find is more likely than not to have happened if things had gone as they should. And in doing so I'm minded to reach the same conclusion as our investigator.

Mr S says that he was introduced to this investment opportunity through a friend who had already successfully earned some money from the scheme and this convinced Mr S to invest some funds as well. Mr S also said that prior to investing he had carried out research online and as far as he was concerned it all looked genuine to him. He also went on to explain that he was in contact with the scammer daily who had gained his trust. I can also see that at one point, Mr S sent a link to an article to the scammer which had highlighted this might be a scam, but thereafter Mr S continued interacting with the scammer as he had done previously. So I'm satisfied the scammer was able to alleviate any concerns Mr S had. It's clear that Mr S's interactions with the scammer were not limited solely to the chat log he's provided – these show that multiple telephone calls were conducted. And the chat log provided by Mr S doesn't cover the earliest period he was making payments – and I'm mindful that he continued interacting with the scammer for five months after his final disputed transaction from his Barclays account. This highlights the strength of attachment between Mr S and the scammer and the level of trust Mr S placed in them. I've also seen from Mr S's chats with the scammer that he was so convinced by the alleged investment that he was also introducing multiple individuals to invest too – just as he was.

I must keep in mind that firms need to strike a balance between disrupting the payment process to protect customers from fraud and allowing legitimate payments to be made. And in this case whilst I agree Barclays should have done more, I'm not persuaded that the available evidence shows that any shortcomings on its part were the cause of Mr S's loss given the level of trust he'd placed in the scammer as I've set out above.

Lastly I've considered whether there are any ways Barclays could have recovered Mr S's money, but I don't consider it could have as Mr S's claim wasn't raised until four years after the transactions took place.

**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 S to accept or reject my decision before 20 November 2025.

Mark O'Connor  
**Ombudsman**