

The complaint

Mr L complains that Barclays Bank UK PLC ('Barclays') won't refund the money he lost to an investment scam.

What happened

The background is known to both parties. I won't repeat all the details here.

In summary, Mr L says that a representative of a company (I'll call 'X') came to his office to discuss 'investments' in person. Information was shared (such as leaflets) and believing the opportunity was genuine he went on to make payments as instructed for X to trade on his behalf. Initial payments were for 'investment'. He was later asked to pay various 'fees' and 'taxes' he was told were needed for him to withdraw funds.

He realised he'd been scammed when he wasn't paid the returns he was expecting. By that time, more than £60,000 had been sent from his Barclays account during June and July 2024. The funds were sent for the purchase of cryptocurrency from legitimate crypto-exchanges Mr L was told to use as part of the process. It was the cryptocurrency that was sent on and lost to the scam. To note, some of the money came from credit cards and loans.

A complaint was raised with Barclays and then referred to our Service. Our Investigator considered it and didn't uphold it. In brief, while she thought that some payments should have triggered Barclays' fraud prevention systems, she wasn't persuaded the scam would have likely been prevented given what happened when Barclays did intervene.

As the matter couldn't be resolved informally, it's 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.

Having done so, I've reached the same conclusions as the Investigator. These are the key reasons for my decision:

- It's no longer in dispute that Mr L authorised the payments in question from his Barclays account. But, for completeness, I'll say here that I agree with this position given also the events Mr L has now himself described – that is, that payments were made in connection with what he thought was a legitimate 'investment' opportunity at the time. So, while he didn't intend to lose his money to a scam, under the Payment Services Regulations 2017, he's presumed liable for his losses in the first instance.
- There are some situations where I consider that a firm (like Barclays) taking into account relevant rules, codes and best practice, should reasonably have taken a closer look at the circumstances of a payment – if, for example, it's particularly suspicious. And I agree there was enough about some payments for Barclays to have stepped in on concerns that Mr L might be at a heightened risk of financial harm from fraud – considering, for

example, some of their values and the elevated risks associated with the type of payees.

- But I'm not persuaded timely and proportionate interventions would have likely prevented what happened here, such that I can reasonably hold Barclays liable for Mr L's losses.
- As referred to by the Investigator, Barclays did intervene. On 23 June 2024, payments were blocked and it had a call with Mr L to find out more. I'm mindful Mr L disclosed he was buying cryptocurrency through a broker. But I can't overlook that when asked more about their involvement and if they were regulated, Mr L said he knew the broker through work, that he was a *"friend"*, and that he was regulated. Even though Mr L was then told the presence of a broker would normally be a major red flag, he maintained he was using his 'friend' as he'd been trading for a while. And when asked if the broker was giving advice or actually trading for him, Mr L replied *"no he's just giving me advice, that's all he's doing. He's not trading for me"*. He reassured Barclays he'd not been guaranteed returns and had only started to invest more heavily as he understood things more fully.
- When later probed on the role of the 'friend', Mr L again confirmed he was only giving advice and not doing it for him. He also reassured Barclays that no-one else had access to his wallet; he'd set up his account with the crypto-platform alone; he'd not responded to links offering investment opportunities; and that he'd not been told what to say to the bank. He was told the main thing the bank wanted to check was that he had access, and that he was the only one making the decisions with no one pressuring him. At the end of the call, it was explained the questions were asked to check he wasn't falling for a scam. He was told once the payment is released it's unlikely the bank would be able to get that back. He was asked to take a moment to think about the payment before reattempting it.
- There was a second call with Barclays' fraud team later that day. Mr L was told, at the outset, the questions were intended to protect him from scams and it was important that he answered honestly. In turn, Mr L confirmed no-one had helped him to open accounts with crypto-platforms and that he'd carried out his own research. When asked if he was dealing with a broker or qualified adviser, Mr L replied *"a friend who is a broker but who's a friend as well"*. He confirmed he'd not taken out loans. And when asked about any conversation where he'd been told what to say to mislead the bank, Mr L replied *"no, it's all done by me"*. He was told the blocks were intended to prevent a scam and ensure he'd checked to make sure the payment was going to a legitimate company.
- A payment was also blocked on 19 July 2024. This was for £15,000 going to Mr L's crypto-platform. In that call, Mr L confirmed he'd opened the account. When asked if he was involved with any group chats or people trying to advise him that he could get lots of money out, Mr L replied *"no"*. He confirmed no-one had access to his wallet who could move money around without him knowing. He confirmed he wasn't coached or guided on what to say to the bank about the payment. It was explained the call was to prevent scams; that scammers were taking advantage of people wanting to get more money due to cost of living; and that once the payment was made it'd be difficult to get it back.
- I'm mindful that, in correspondence with our Service, Mr L explained that the 'investment' came about after X had visited his offices at work and leaflets and talks were provided. He said all payments were made under X's guidance and that he understood if he was to invest then X would conduct trades and send payments to his bank account. But, as noted above, that's not what Barclays was told when it stepped in. I can understand why the replies it received to some key questions didn't lead naturally to concerns that Mr L was being scammed. And given the misleading answers Barclays was given, I'm not persuaded Mr L was prepared to reveal anything significant about what was really happening, such that the scam would have been exposed and his losses prevented, even if I were to say that Barclays should have stepped in more often than it did.

- In reaching this view I'd also note, for example, that nothing was said to Barclays about the repeated requests for payment of 'fees' to access funds, despite the evidence to show that Mr L had started to try to withdraw funds as early as 23 June 2024. And, like the Investigator, I think it's significant the scammers' 'spell' was such that Mr L continued communicating with them for months despite him having raised his fraud claim.
- This isn't a decision I've made lightly. I recognise Mr L was the victim of a cruel scam that's affected him deeply. I can understand why he wants to do all he can to recover his money. But I can only hold Barclays responsible for his losses if I'm satisfied it missed an opportunity to prevent them. For the reasons I've given, I don't think that it did. And, in terms of recovery, there was little it could have done. For card payments, a chargeback is unlikely to have succeeded given there's no dispute the cryptocurrency was provided as intended before it was sent to the scam. For the transfer, that money was first sent to Mr L's own accounts. If any remained, he'd have been able to access it himself.
- For completeness, I'm aware Mr L is unhappy about the service he received from Barclays when he made his fraud claim – in particular, that not all disputed payments were recorded first time round; he had to explain things more than once; his evidence wasn't properly considered; and its handling caused delays and stress at an already difficult time. At the same time, I think it's relevant that Barclays (and our Service) was given conflicting information on how the disputed payments came about, making it more difficult for it then to assess the claim. To add, Barclays paid £100 in recognition that it raised Mr L's expectations by logging the payments as 'fraud' in the first place. It has also said it isn't looking to recover the 'fraud refund' it wouldn't have otherwise paid in relation to loan funds Mr L sent as part of the 'investment' scam. In these circumstances, I don't think it would be appropriate to ask Barclays to pay more in any event.

My final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 8 October 2025.

Thomas Cardia
Ombudsman