

The complaint

Mr S complains that Barclays Bank UK PLC won't refund money he said he lost to a scam.

A firm represents Mr S, but for ease I have only referred to Mr S in this decision.

What happened

Mr S said he made the following payments towards what he believed was a genuine cryptocurrency investment:

Payment	Date	Transaction type	Value
1	25 November 2021	Card payment	€60,000
2	11 January 2022	Card payment	€47,500
3	21 February 2022	Card payment	€60,000
4	23 February 2022	Card payment	€60,000
5	25 February 2022	Card payment	€60,000
6	28 February 2022	Card payment	€60,000
7	1 March 2022	Card payment	€100,000
8	25 August 2022	Card payment	€10,000
9	29 August 2022	Card payment	€28,000
10	15 September 2022	Card payment	€5,000

Mr S said he came across an advertisement for the investment opportunity on an online video sharing platform. Mr S said he was contacted by someone claiming to be an accounts manager working for the investment firm. After discussions Mr S made the decision to invest. He said he later attempted to withdraw funds from the investment and he was told the account was under investigation by the regulators, he was also asked to make further payments before he could make a withdrawal.

Mr S received £23,002.37 into his external bank account, but he said he was asked to make further payments before he could make further withdrawals. After complying with their requests, he was still unable to withdraw his funds and it was at this point Mr S realised he had fallen victim to a scam. Mr S complained to Barclays, but it didn't uphold his complaint.

Our investigator also didn't think the complaint should be upheld. She said Barclays had intervened and advised Mr S that the investment was likely a scam. Our investigator was satisfied Barclays' response was appropriate to the risk the transactions posed.

Mr S didn't accept the investigator's view, his representative says that although Mr S was not forthcoming in his responses when questioned by staff, there were enough red flags to understand that a scam was occurring. They think the banking protocol would have prevented the scam.

As an agreement could not be reached, the complaint 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.

I recognise that I have summarised this complaint in much less detail than has been provided. I want to reassure both parties that I have taken into consideration their detailed submissions about what happened. However, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. Rather, I've focused on setting out what is key to the decision I reached.

I understand that Mr S has been the victim of a very cruel and sophisticated scam and I'm sorry he has lost a considerable sum of money. However, I must put aside my feelings and consider his complaint impartially. Having done so, I have reached the same outcome as our investigator and for broadly the same reasons. I know this will come as a disappointment to Mr S, but I'll explain my reasons why.

In broad terms, the starting position in law is that Barclays is expected to process payments and withdrawals that a customer authorises it to make. There is no dispute that the payments were authorised by Mr S, in accordance with the Payment Services Regulations and the terms and conditions of the account, he is therefore responsible for the loss.

However, taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Barclays should have looked at the wider circumstances surrounding the transaction before making the payment and taken steps to keep its customer's accounts safe. Therefore, it ought to look out for payments which might indicate that its customer is at risk of financial harm due to fraud.

Barclays intervened when Mr S attempted to make a payment on 7 December 2021. Its notes show that it had concerns about the firm Mr S said he was investing with. It thought the firm's website looked unprofessional. Importantly its notes show it warned Mr S that the investment may be a scam and he agreed to investigate things further and the payment was cancelled.

Mr S attempted another payment the following day which was also cancelled and the payment was discussed with a member of staff. Mr S stated that he had used the cryptocurrency exchange platform before and had an account with them for six months. Mr S was not happy that the payment had been stopped and a temporary block had been placed on his account. He did not cooperate with the agent and refused to answer some of his questions. Where Mr S has not been forthcoming with information, I think it prevented the bank an opportunity to identify that the payments were going towards a scam and to protect him from financial harm from fraud. Mr S also informed the agent that he was a financial advisor and he knew what he was doing. I think this served to further alleviate some concerns the bank may have had.

Barclays did not intervene in the subsequent payments Mr S made towards the scam. I have considered whether further intervention would have been effective and prevented the loss Mr S incurred. I'm not persuaded it would.

Mr S made payments from an account held externally, with a bank I'll refer to as N. N intervened in several payments but Mr S gave misleading answers when questioned and again reassured the bank that he was a financial advisor and he had carried out his research. N gave warnings which I think ought to have resonated, including that a third party

telling him where to invest would likely be a scam but he did not take heed of them. It's clear from this that Mr S was not willing to cooperate with any of the banks and was determined to have the payments processed. He confirmed that the scammer had access to his computer and would carry out transactions on his cryptocurrency wallet for him. This indicates to me that Mr S was under the spell of the scammer, had come to trust them and he was convinced that the investment was genuine. So it follows that I am not persuaded that Mr S would have heeded further warnings from Barclays or been forthcoming with information had it intervened in the latter payments.

Mr S suggests that Barclays could have initiated banking protocol. Even if it had done so, I think it's likely that Mr S would have found alternative means of making the payments. For instance I note he opened a new account in August 2022 and made several payments towards the scam from this account.

I've thought carefully about everything that's happened. I understand that Mr S has been the victim of a cruel scam and that the losses incurred are not insignificant. But I'm not persuaded Barclays could have prevented his loss. As such, I can't fairly or reasonably require it to reimburse Mr S.

My final decision

For the reasons outlined above, my final decision is that I do not 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 28 July 2025.

Oluwatobi Balogun
Ombudsman