

The complaint

Mr Z says Barclays Bank UK PLC (“Barclays”) failed to protect him from financial harm when he fell victim to a scam.

Mr Z has appointed a professional representative who has brought this complaint on his behalf. However, for ease, I will simply refer to “Mr Z” throughout my decision, even when referring to submissions made by his representative.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail here.

In short, Mr Z says he was contacted by someone impersonating the police who informed him that his passport and Barclays account have been compromised and his funds were at risk of being stolen. He says they asked for his help with the investigation, and after he agreed someone from the FCA would call him with instructions. Following this someone impersonating the FCA called him and instructed him to move money into a cryptocurrency wallet as he said this would keep Mr Z’s funds safe. Mr Z was also told not to tell anyone about the investigation, including anyone at Barclays, and he was given instructions on what to tell Barclays when questioned about the payments. Mr Z says he lost a total of £173,730.00 to this scam, but he thinks Barclays should refund this money as it failed to protect him from fraud.

The payments Mr Z says he was persuaded to make as part of this scam from his account are as follows:

Payment	Date	Beneficiary	Amount
1	25/09/2024	C's Coinbase account	£16,700.00
2	26/09/2024	C's Coinbase account	£15,000.00
3	27/09/2024	C's Coinbase account	£48,500.00 – CANCELLED
4	27/09/2024	C's Coinbase account	£48,500.00
5	28/09/2024	C's Coinbase account	£47,250.00
6	29/09/2024	C's Coinbase account	£46,280.00

Barclays considered Mr Z’s complaint but decided not to uphold it. It provided evidence that it had intervened several times, but Mr Z wasn’t honest when answering its questions. So, there was no way for Barclays to know what was happening nor could it give any specific warnings about the situation Mr Z was in. Ultimately, Barclays felt it did everything it could to

protect Mr Z so it shouldn't be held liable for this loss.

Our investigator also considered this complaint and felt that Barclays had done what he expected in the circumstances, so it didn't ask Barclays to do anything further. Mr Z wasn't happy with this outcome, so 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.

It is not disputed that Mr G has fallen victim to a cruel scam. It is also not in dispute that Mr G authorised the payment transactions in this matter. Generally, consumers are liable for payment transactions they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms/banks – such as Barclays – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions.

Should Barclays have intervened to attempt to protect Mr G from financial harm from fraud?

Given the amount of the transaction in Payment 1 and the fact that it was out of character for Mr G's usual spending, I think Barclays should've intervened at Payment 1 with a human interaction. This means I think Barclays should have spoken to Mr G about this payment either by phone, online chat or asked him to come into the branch.

From the evidence provided I've seen that Mr G went into branch to make this payment where he spoke to a bank advisor and he was later called by phone to discuss the payment before it was processed.

Was this intervention sufficient and proportionate to the risks involved here?

During the call with the Barclays fraud team on 25 September 2024 Mr Z was asked what the payment was for. Mr Z explained that he was putting money in his own cryptocurrency trading account which had been opened since 2017. Mr Z told the advisor he was buying two different cryptocurrencies and named the coins he was planning to buy. Based on this information the advisor asked further questions about his investments and whether anyone had given him investment advice.

Mr Z says the questions he was asked were irrelevant to his circumstances and had he been asked more probing questions Barclays may have been able to uncover this scam. However, the advisor also asked Mr Z if he had had any conversations with *anyone* who had told him to lie to the bank or told him what to say if Barclays called him. Mr Z said no. But in Mr Z's evidence to our Service, he says he was instructed what to tell the bank and how to answer it's questions. So, Mr Z wasn't being open and honest with Barclays about what was happening even when it did ask more general probing questions. He also says he genuinely believed what he had been told by the scammers about the investigation, so even if Barclays had asked more questions, I don't think Mr Z would've revealed what he was actually happening and what he had been told by the scammers.

So, I think Barclays did asked some probing questions to try to uncover whether Mr Z was being scammed, and even if it had asked further questions, I don't think Mr Z would've been

honest, so I don't think Barclays would've been able to uncover the scam here.

Should Barclays have intervened further, and were these interventions appropriate?

The evidence shows Barclays did intervene again at Payments 3, 5 and 6 – by human intervention. However, Mr Z decided to proceed with the payments anyway.

I've listened to the calls between Mr Z and Barclays on these occasions and I think the interventions were proportionate. I say this because during the call for Payment 3 the advisor informed Mr Z that there has been an increase of scams involving cryptocurrencies and once funds are sent to such platforms it's unlikely Barclays will be able to recover any of this money. During the call the agent explained that she was not happy to proceed with the payment as it stands and she directed him to the FCA website and Scam Smart website. Had Mr Z done what Barclays had instructed he would've seen information about people impersonating the FCA and what to do if you think you've been contacted by someone from the FCA. There is also information about the scam Mr Z had fallen victim to – where he has been called out of the blue and told his money is not safe.

I've also listened to the call on 28 and 29 September 2024 and I don't think I can say Barclays ought to have done more to have uncovered this scam. Mr Z was asked in a few different ways whether he had been having conversations with anyone who had been telling him what to say or to lie to the bank. And Mr Z denied talking to anyone who was instructing him on what to say. And without Mr Z being honest about the situation, I don't think it's fair to say Barclays would've been able to warn Mr Z about the specific scam he had fallen victim to.

I have seen that Barclays asked probing questions about the circumstances of these payments at every appropriate opportunity and warned him against the risks of scams involving moving money to cryptocurrency. It also directed him to the Scam Smart website for scam education and to ensure he wasn't falling victim to any type of scam. I've considered Mr Z's response to the investigator's outcome and the reasons he still feels Barclays should be held liable. However, I don't agree and I'll explain why.

Mr Z says Barclays ought to have intervened in Payment 2, as this payment was also out of character for his account. I can see the argument made here and the reasons Mr Z says Barclays ought to have intervened are not unreasonable. However, even if Barclays had intervened here, I still don't think this would've made a difference to Mr Z's loss. I say this because it's likely Mr Z still would not have been honest about the circumstances and about the fact that he had been told to lie. By his own admission he believed that employees at the bank were involved in the alleged fraud, so he followed the scammers advice in not letting on what the real purpose of the payments was. Therefore, I don't think Mr Z would've revealed anything about the real circumstances of the payments so I can't say Barclays would've been able to do anything to protect him from this.

Mr Z argues that Barclays ought to have monitored his account and payments to look out for any risks of scams; flagged unusual transactions; and take additional steps/provide warnings before processing payments. As outlined above, I am satisfied that Barclays has done all of these things.

Mr Z also says Barclays ought to have been aware of these types of scams and should've done more to break the spell. And he says that had Barclays explained what an account scam was at the beginning it's likely he would've realised he was being scammed here. Having listened to all the calls and actions by Barclays I don't think it would be reasonable to say it ought to have done more. Barclays asked open questions as well as specific questions about the payments. It directed him to education and information about popular scams and

also stopped one of his payments because it wasn't satisfied with the answers Mr Z gave. Throughout their interactions Mr Z proved to be knowledgeable about cryptocurrency investments and confident in the answers he gave. I don't think there was any indication that Mr Z was not making these payments of his own free will, or that he was under any sort of pressure to do so. Mr Z was very convincing about what he said was the true nature of the payments. So, I don't think it is fair to say Barclays ought to have known he was being untruthful.

I know this outcome will come as a disappointment to Mr Z, but for all the reasons outlined above I am not upholding this complaint. Also, as detailed by the investigator in his view, I think Barclays did everything it could to try and recover the lost funds. So, I don't think it ought to do anything further here.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 23 February 2026.

Sienna Mahboobani
Ombudsman