

The complaint

Mr and Mrs H complain that Barclays Bank UK PLC ('Barclays') hasn't refunded the money they believe they lost to an authorised push payment ('APP') scam.

Mr and Mrs H referred their complaint to this service with the help of a professional representative. However, for ease of reading, I'll refer to Mr H throughout my decision, as he made the disputed payments.

What happened

The circumstances of the complaint are well-known to both parties. So, I don't intend to set these out in detail here. However, I'll provide a brief summary of what's happened.

In early 2022, Mr H was recommended a foreign exchange ('forex') trading company, which I'll refer to as 'Company F'. He began communicating with an employee of Company F and decided to make an initial investment of £5,000.

In February 2022, Company F instructed Mr H to create an account with, what he believed to be, a genuine forex trading platform, which I'll refer to as 'V'. He transferred £5,000 to V's trading platform. Once the funds had been successfully deposited into V's trading platform, Mr H moved the funds into a Percentage Allocation Money Management ('PAMM') account, so his funds could be traded by Company F.

Mr H's initial investment appeared to have made a modest return and so he made two further payments to V in March 2022 for £1,000 and £4,000. Believing he was continuing to make a return on his investment, he decided to invest a further £400,000 in May 2022, via four international transfers of £100,000 each.

The initial investment payments referred to above, totalling £10,000, weren't made from the same Barclays bank account as Mr H's international payments. And Mr H hasn't complained about the initial payments. So, for clarity, my decision only focuses on the four international transfers totalling £400,000.

In late 2022, Mr H was able to make three successful withdrawals, totalling £33,500. However, when he tried to withdraw more funds, he was told all his investment capital and profit had been lost.

In February 2025, Mr H made a complaint to Barclays and asked for his loss of £366,500 (the investment of £400,000 less the returns of £33,500) to be reimbursed. Barclays' complaints team told Mr H that he would need to liaise with Barclays' scam team in the first instance. However, Mr H instead referred his complaint to this service.

Our Investigator considered the complaint but didn't uphold it. In summary, they said they didn't think Barclays reasonably could've prevented Mr H from making the disputed payments. They also didn't think Barclays could've done anything to recover Mr H's funds from the receiving account. As a result, they didn't think Barclays could fairly be held responsible for Mr H's loss.

Mr H didn't agree. He thought there were enough warning signs to suggest that proportionate intervention from Barclays, when he made the four £100,000 international transfers, would've uncovered that he was being scammed. Mr H said that Company F was promising returns that were too good to be true and both Company F and V weren't authorised and regulated to operate in the United Kingdom ('UK') by the Financial Conduct Authority ('FCA'), which should've alerted Barclays to the fact that something wasn't right.

Our Investigator wasn't persuaded to change their outcome and so 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.

Mr H has made some detailed submissions in support of his complaint. I've read and considered everything he's sent in, but I don't intend to respond in similar detail. I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No courtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that a firm, like Barclays, is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (in this case, the 2017 regulations) and the terms and conditions of the customer's account.

It's not in dispute that Mr H made the disputed payments. So, the payments were authorised and under the Payment Services Regulations, the starting position here is that Mr H is responsible for the payments (and the subsequent loss). However, that's not the end of the story.

Good industry practice required Barclays to be on the lookout for account activity or payments that were unusual or out of character to the extent that they might indicate a fraud risk. On spotting such a payment, I'd expect it to take steps to warn the customer about the risks of proceeding.

V is a genuine forex trading platform, which is authorised and registered in multiple jurisdictions around the world. It's unclear if Mr H's international payments were credited to a legitimate account with V and subsequently stolen by Company F, or if Company F cloned V's website and used this to steal Mr H's money by receiving the funds into an account with no connection to V's legitimate platform. However, it seems clear with hindsight that Mr H has been the victim of fraud, and he's suffered a significant loss as a result.

So, I've considered whether Barclays reasonably ought to have been concerned by Mr H's international payments to the extent that it ought to have questioned him about the payments and, importantly, whether reasonable intervention would've prevented Mr H from going ahead with the payments.

The four disputed payments of £100,000 each were large in value and being sent overseas. They were also made within a period of less than two weeks. As a result, I think Barclays reasonably ought to have been concerned that the payments carried a heightened risk of fraud. In those circumstances, Barclays should've taken steps to ensure the payments weren't being made for a fraudulent purpose.

Barclays hasn't been able to confirm the methods of payment, but it believes the international transfers were either made via telephone banking or in a branch. Mr H thinks the payments were made online, but Barclays electronic records from May 2022 indicate that's not the case. So, I think it's more likely than not that the payments were made in branch or over the phone.

However, despite the payments most likely requiring a conversation with Mr H, Barclays has no records to suggest what, if any, questions were asked. So, I must consider whether the available evidence shows that it was more likely than not that Mr H would've acted differently if Barclays had intervened proportionately.

If questioned about the payments he was making, I have little doubt that Mr H would've been honest with his answers. As such, I think he would've explained that he was paying his own trading account with V, he had made previous payments, which had been credited to his trading account (or at least he'd been given this impression), he'd been able to access the funds and move them into a PAMM account (managed by Company F) and he could see that he was making a modest return on his initial investment.

I think Mr H would've also explained that Company F had been recommended to him by an acquaintance from his church, who had also invested successfully. I think he would've also explained that the funds were intended to be kept on V's platform and traded and that he had no intention to send them on to a third party, which is a common hallmark of investment scams. Mr H had met an employee from Company F in person on several occasions and even met one of Company F's directors who Mr H says appeared to be knowledgeable and professional. Mr H had been shown evidence suggesting Company F was making modest monthly returns that on the face of it weren't so outlandish that they ought to have appeared too good to be true.

I appreciate Mr H's comments that he doesn't appear to have had a formal contract with Company F, setting out the terms and conditions of the agreement. However, Mr H did create a trading account with V, for which he would've received terms and conditions for. And his agreement with Company F was that Company F would trade his funds, through the PAMM account on V's platform. So, I'm not as persuaded as I'd need to be that this detail would've raised enough of a concern that Mr H wouldn't have gone ahead with the disputed international transfers.

In the circumstances, I'd have expected Barclays to have provided Mr H with scam education and explained the common hallmarks of investment scams. But given Mr H's belief in Company F, I don't think this would've resonated with him or impacted his decision making at the time.

Barclays could've also advised Mr H to carry out further due diligence on Company F and V, prior to investing further funds, such as checking the FCA register. If that had happened, it's likely Mr H would've discovered neither business was authorised and regulated in the UK by the FCA. However, Mr H would've likely discovered that V was based overseas and authorised and registered in multiple other jurisdictions which would've likely given him some reassurance.

There are also some limited circumstances where a forex trading company might not need to be authorised by the FCA to operate in the UK. Given the professionalism of Company F's fraudulent scheme and the relationship it had established with Mr H over several months, it seems likely that Company F would've been able to give a plausible reason to justify why it wasn't authorised by the FCA. So, even if this information had come to light, I think it's unlikely to have stopped Mr H from proceeding.

I'm also mindful that there weren't any published warnings about V or Company F by regulatory bodies (such as the FCA) at the time of Mr H's payments. So, there would've been no information, from an official body, to suggest the investment wasn't genuine.

In the circumstances, Barclays could've also recommended Mr H attempt to make a withdrawal from his initial investment as a way of verifying if the investment was genuine. Mr H was able to withdraw over £33,000 around six months after the disputed payments, so it seems likely that if he'd taken this step, the fraudsters would've likely allowed him to do so, knowing that he was planning on investing a substantial amount.

Despite there being a heightened risk of fraud due to the value, frequency and destination of the payments, I'm not persuaded proportionate questioning from Barclays would've likely resulted in Mr H uncovering that Company F wasn't genuine or that he would've been so concerned that he wouldn't have gone ahead with the disputed payments, such was his belief that Company F was genuine. Nor do I think Barclays would've had reasonable grounds to refuse to process the payments contrary to Mr H's requests.

At the time Mr H made the disputed payments, Barclays was signed up to the Lending Standards Board's Contingent Reimbursement Model ('CRM') Code. The CRM Code provided additional protection from APP scams. However, the CRM Code didn't apply to international transfers, which the disputed payments were. As a result, Barclays isn't required to reimburse Mr H's loss under the principles of the CRM Code.

The disputed payments weren't reported to Barclays until approximately three years after they were made. So, it seems highly unlikely that any funds would've remained in the beneficiary account. Furthermore, the payments were sent abroad and so it seems doubtful that the recipient would've returned any funds that potentially remained in the beneficiary account. So, I don't think Barclays missed an opportunity to mitigate Mr H's loss.

I have natural sympathy with Mr H, given the loss he's suffered and the impact this has had on his financial circumstances. I also appreciate he feels very strongly that Barclays should be required to refund him. However, I'm not satisfied Barclays could've stopped Mr H from going ahead with the disputed payments and there wasn't anything it could've done to retrieve his loss. As Barclays couldn't reasonably have prevented or recovered Mr H's loss, I'm not persuaded it can be fairly held responsible for reimbursing him in the circumstances.

My final decision

For the reasons explained 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 H and Mrs H to accept or reject my decision before 3 February 2026.

Liam Davies
Ombudsman