

The complaint

Mr W is unhappy that Barclays Bank UK PLC (Barclays) won't reimburse money he lost to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mr W has explained that in February 2025 he made payments from his Barclays account to buy cryptocurrency which he ultimately lost to an investment scam.

Mr W advised that he lost around £3,220 as a result of the scam.

Mr W raised a complaint with Barclays. It didn't think it had done anything wrong by allowing the payments to go through. It did offer £350 compensation as it closed Mr W's account down without providing sufficient notice to him. Mr W brought his complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. Our Investigator didn't think the payments Mr W made were unusual and so they didn't feel Barclays should have identified a scam risk. The Investigator also thought the offer made by Barclays for the service issues experienced was fair in the circumstances.

Mr W didn't agree. He said, in summary:

- the payments were unusual and that Barclays should have contacted him about them before authorising them
- Barclays did not act in line with the terms of the account and failed to protect his account
- Mr W wasn't happy with the service provided by Barclays when it was investigating the scam and when it closed his account.

Mr W's complaint has now been passed to me for review and a 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.

I'm sorry to disappoint Mr W, but I'm not upholding his complaint. I'll explain why.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied that 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 broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. I have taken that into account when deciding what is fair and reasonable in this case. But I am also mindful that when Mr W made the payments, Barclays should fairly and reasonably also have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). And there are circumstances where a bank should fairly and reasonably take additional steps, or make additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

Having thought very carefully about Barclays' actions, I can't say it acted unfairly and unreasonably in allowing the payments to be made. And I'm not persuaded Barclays should reasonably have been expected to prevent the loss. I say this because, overall, I don't think the payments he made were remarkable enough to have caused Barclays concern.

In thinking about whether the payments Mr W made were out of character and unusual I have reviewed his account usage. To do this I have looked at the account statements provided prior to the scam. From Mr W's account statements, I can see his account was fairly new. It had been opened a few months prior to the scam payments so the account activity is somewhat limited. Given the limited history to consider, I accept Mr W's perspective that the payments could have looked out of place compared to his previous activity on the account. But it's important to note that there is a difficult balance to be struck between firms identifying payments that could potentially be fraudulent and minimising disruption of legitimate payments. It would be impossible to prevent all fraud without a significant number of genuine payments being delayed considerably and inconveniently. So, I can't conclude that Barclays has failed to follow its terms by not attempting to stop Mr W's payments.

And while there was limited account activity, I am also not satisfied that the payments would have stood out as unusual. In context, I would not generally expect a bank to identify these payments as suspicious, as the amounts were not sufficiently remarkable to clearly trigger concern. The highest payment made as part of this scam was for £1,325.70, but the majority were under £420 and although I appreciate that the payments may have represented a lot of money to Mr W, they were simply not of a value where I'd usually expect Barclays to be concerned that Mr W was at a heightened risk of financial harm. Mr W also made a larger payment a few weeks before the scam so it's unlikely that the disputed payments would have presented an obvious scam risk.

I've also considered the frequency of the payments. The scam payments were made across several days and didn't escalate rapidly in value or frequency in a pattern that could typically indicate a scam was taking place. So, it would have been difficult for Barclays to identify that a scam was unfolding.

The payments were made to a legitimate cryptocurrency wallet provider. While there are known fraud risks associated with cryptocurrency, as scams like this have unfortunately become more prevalent, not all payments related to cryptocurrency are scam related. This means that I wouldn't expect Barclays to intervene on a payment just because it related to cryptocurrency.

So, while Barclays should be looking out for signs that its customers are at risk of financial harm from fraud, I'm not persuaded the value, the destination of the payments or the frequency of the transactions were so unusual or suspicious for Barclays to have done, more than it did, before processing them.

Mr W has raised some concerns that Barclays closed his account without given him sufficient notice. I can appreciate that this would have caused Mr W some inconvenience. A business can choose to close an account without giving any notice. Barclays have paid Mr W £350 compensation and having thought about the offer and how the account had been used prior to the scam, I think the offer is fair in the circumstances of the complaint. Mr W has also raised concerns that the nature of Barclays' questioning brought his integrity into question, leaving him feeling as though he was being accused of being untruthful about whether the scam had taken place. Whilst I acknowledge how this may have felt from his perspective, it is important that a business gathers the relevant facts before determining whether an individual has been the victim of a scam. This necessarily involves a degree of probing which, although uncomfortable, would have been reasonable and necessary in the circumstances. In light of this, I will not be asking Barclays to offer additional compensation. On the whole, I believe the offer made is fair.

There are industry standards around attempting recovery of funds where a scam is reported. However, the scam payments were sent into wallets controlled by the scammers. So, I don't think there was any realistic prospect of Barclays recovering the funds.

I'm sorry to hear Mr W suffered a financial loss as a result of what happened. But it would only be fair for me to direct Barclays to refund his loss if I thought it was responsible – and I'm not persuaded that this was the case. For the above reasons, I won't be asking Barclays to do anything further.

My final decision

I don't think Barclays Bank UK PLC needs to do anything to settle the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 February 2026.

Aleya Khanom
Ombudsman