

The complaint

Mr S complains that Barclays Bank UK PLC hasn't refunded him payments he made after he fell victim to an investment recovery scam.

What happened

Mr S found an advert on social media for a cryptocurrency investment opportunity. He invested with this company between May and June 2024. He wasn't able to withdraw funds and then realised he'd been scammed. In August 2024, Mr S was in contact with someone who he believed could recover the money he lost to this scam, but this also turned out to be a scam.

Mr S reported the loss to Barclays via a representative in October 2024. Barclays didn't provide a response on Mr S's complaint within the allowed time, so he came to our Service.

Barclays set out to us that it wasn't upholding his complaint. Our Investigator agreed this was a fair outcome, as they could see Barclays had attempted to ascertain what Mr S was doing and warn him about cryptocurrency scams, but he had acted to mislead it. They didn't consider the scam could've been unravelled. Mr S disagreed and asked for an Ombudsman to review his complaint.

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 isn't in dispute that Mr S authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Barclays is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

The first payment Mr S tried to make did look suspicious to Barclays and its internal notes show it asked him about why he was making the payment. These notes report that Mr S told Barclays he was buying household items. They indicate he was asked, but said he was not buying cryptocurrency. However, we know Mr S was moving the money to recover his funds, which included the purchase of cryptocurrency, so this wasn't the truth. Barclays wasn't satisfied after the call it had with Mr S, so it directed him to branch to discuss making the payment. The payment attempted was cancelled, and it placed blocks on his account.

Mr S attended a branch the next day. Unfortunately, we don't know exactly what was said in branch. But we can see notes from the time suggesting Mr S was given a scam warning. I don't know the exact reason Mr S gave in branch for the payment, so whether he continued to mislead Barclays entirely or gave an answer closer to the truth – as I accept he later did say cryptocurrency on a call when questioned about another payment. And as I haven't seen the scam warning, I can't say that this did do everything it needed to. So I've considered whether I think a proportionate intervention and warning would've led to this scam being

uncovered.

As mentioned above, Mr S was questioned about a later payment in this same scam and did reveal he was purchasing cryptocurrency. So here he didn't look to entirely mislead Barclays. However, Mr S explained he was personally investing in cryptocurrency via an account he'd opened himself. At this time, in reality he was paying a third-party the deposit requested to recover his funds – and from what I understand paying them directly. So while he gave answers closer to the true version of events, as the recovery scam did involve the purchase of cryptocurrency, this still wasn't what was really going on.

It seems clear that Mr S understood that Barclays would have concerns about what he was doing. And so he looked to conceal the true purpose of his payments and the risks that came with these from Barclays. This is in the same way he acted with two other financial providers when he first invested and then in the first recovery scam he fell victim to.

Mr S seems very confident with what he is doing – and as he'd just fallen victim to another recovery scam, he ought to have known the common signs. So a warning about these wouldn't have given him much, if any, new information. I'm therefore not persuaded that a better intervention by Barclays on any of the payments now disputed would've changed what happened here. Mr S held information to indicate this may be a scam – and had he shared the truth, Barclays could've acted on this. But I don't think Barclays held information to know what Mr S was truly doing – he didn't share anything obviously concerning – so it couldn't act on the real events. And it's also clear Mr S was adamant these payments should be made and was looking for any way to get that to happen. So I don't think Barclays is responsible for his loss here.

I can only ask Barclays to reimburse Mr S if I find that any wrongdoing on its part caused his loss, which isn't the case here. And I'm not persuaded there were any prospects of Barclays successfully recovering the funds, given the money was sent internationally and the scam wasn't reported until several weeks after it happened.

My final decision

For the reasons set out above, I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 October 2025.

Amy Osborne
Ombudsman