

The complaint

Mr A complains about the actions of Barclays UK Plc when he lost money to a scam.

Mr A is being supported by a legal representative but for ease of reading I'll only refer to Mr A.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Around the summer of 2019 Mr A was told about an investment by a work colleague and he began communicating with a trader (scammer). Mr A reviewed the website and platform of the scammer and was told that he could make life changing returns. Mr A began making faster payments to an account he had set up at a genuine crypto exchange. In total he made five faster payments totalling around £245,000 between 13 August 2019 and 10 December 2019.

After unsuccessfully attempting to make various withdrawals from the scam platform Mr A realised he had been scammed. He raised a claim with Barclays in January 2020, but it didn't offer him a refund and it wasn't able to recall any of the payments he had made. Mr A then made a complaint to Barclays in January 2025. Barclays reviewed the complaint but said it wouldn't be offering a refund as it hadn't done anything wrong. Unhappy with that response Mr A brought his complaint to the Financial Ombudsman.

Our Investigator didn't think the complaint should be upheld. He said Mr A had made similar sized payments in the twelve months previous to the scam payments, so he didn't think the scam payments would've seemed so unusual to Barclays. And he wasn't satisfied that Barclays could've reasonably uncovered the scam based upon e-mail communication between Mr A and the scammer.

Mr A disagreed and asked for an Ombudsman's review. He said Barclays should've considered the payments as unusual and suspicious here and it should've intervened. If it had, then Mr A says the scam would've been uncovered and his loss prevented.

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.

Having done so, I've reached the same conclusion as our Investigator, and for largely the same reasons. I'm sorry to hear that Mr A has been the victim of a cruel scam. I know he feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board

and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

It's common ground that Mr A authorised the scam payments of around £245,000. I accept that these were authorised payments even though Mr A was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, Mr A is presumed liable for the loss in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Barclays to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Barclays' first obligation is to follow the instructions that Mr A provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Barclays to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Barclays to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Barclays to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

So, the starting point here is whether the instructions given by Mr A to Barclays (either individually or collectively) were unusual in relation to his typical account activity. I've reviewed the account statements from the previous twelve months before the scam payments. The account was typically well-maintained ranging from a balance of a few thousand pounds up to around £54,000. I've noted that there were also similar sized payments to the scam payments in the previous twelve months. There were payments of £25,000 and £16,000 on 28 August 2018, £40,000 on 07 September 2018 and £45,000 on 22 July 2019.

So, in terms of the amounts Mr A was sending here I don't think the value of the scam payments would've been considered unusual to Barclays. Mr A had sent large payments before on his account. I note some of those payments may have been going to established beneficiaries, but they are still considered previous account activity.

It's arguable here that because the payments were to a crypto exchange and a new beneficiary on the account that Barclays should've considered the scam payments suspicious. But like our Investigator has said, even if Barclays had intervened, I don't think it would've likely been able to reasonably uncover the scam. That's because I've seen correspondence between Mr A and the scammer in early December 2019. Mr A said to the scammer;

"Hi...

It's in the account but on hold pending further checks. They've asked me several questions like how did I set up the account and if anyone helped me etc to which I said no.

Hopefully, I'll be able to get it sorted today."

Due to the time that's passed Barclays only has limited account notes of conversations it had with Mr A, but it doesn't have a record of a conversation like the one above Mr A referenced at the time of the e-mail. So, it's not clear if Mr A was referring to a conversation he had with Barclays or the genuine crypto exchange. I think it was more likely than not the crypto exchange. However, either way, I'm satisfied - on balance – the e-mail provides an insight

into how Mr A would likely have answered any of Barclays' questions had it intervened in the payments.

To be clear, although I would've expected Barclays to be aware of crypto scams in 2019, its understanding of how crypto scams worked wouldn't have been as knowledgeable as it would be today. So, I can't hold it to a higher standard here. However, if Barclays had intervened in Mr A's payments, I would've expected it to ask reasonable probing questions to understand why Mr A was making the payments to the crypto exchange. And the above e-mail shows that Mr A wasn't willing to disclose that he was being helped with the payment by a third-party and that he had set up the account with the crypto exchange himself. This would've satisfied Barclays that Mr A was more likely than not investing for himself.

Mr A would've needed to have mentioned that he was making the payment for an investment at the request of a third-party so that Barclays could reasonably have probed further to try and uncover the scam. The above persuades me, again on balance, Mr A wouldn't have mentioned the third-party, would've said the money was being sent to one of his accounts at a genuine crypto exchange and that he was investing himself. As a result, I think it's more likely than not that Barclays wouldn't have uncovered the scam at the time the payments were made.

This is a difficult message for me to give as I know how strongly Mr A feels about this matter given the size of his loss. But given the evidence I have, and on the balance of probabilities, I'm unable to reasonably reach any other conclusion in the circumstances of this complaint. To be clear, I'm not blaming Mr A for the loss – it's ultimately the scammer who is to blame. But for the reasons I've explained above, I don't think he's been treated unfairly by Barclays. So, taking everything into account, I don't think Barclays needs to take any further action.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 December 2025.

Mark Dobson
Ombudsman