

The complaint

Mr A and Ms L have complained about Barclays Bank UK PLC not refunding several payments Ms L says she made and lost to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat it in detail here. In summary, Ms L fell victim to a fake job scam after she was contacted on a messaging app by a scammer. She says she was told she would be paid for completing a number of tasks, but he would also have to pay in funds to the task platform periodically, using cryptocurrency via an exchange, to unlock more tasks and receive payment. After creating an account, she received some initial funds as payment and built rapport with the scammer, believing this to be a genuine job opportunity. In total Ms L transferred circa £24,000 between March and April 2024.

Ms L subsequently realised she had been scammed when he did not receive her "earnings" no matter how much she paid to release them.

Our Investigator didn't uphold the complaint as he wasn't persuaded that Barclays could have prevented the loss. Our Investigator noted that Ms L was not forthcoming, instead giving answers which reassured them, during interventions with a variety of financial entities. Mr A and Ms L disagreed with this finding and requested a decision.

As our Investigator couldn't resolve the matter informally the case 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.

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 focused 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'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.

I don't doubt Ms L has been the victim of a scam here – she has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean Mr A and Ms L are automatically entitled to recompense by Barclays. It would only be fair for me to tell Barclays to reimburse them for their loss (or a proportion of it) if: I thought Barclays reasonably ought to have prevented all (or some of) the payments Ms L made, or Barclays hindered the recovery of the payments Ms L made – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Barclays treated Ms L fairly and reasonably in its dealings with her, when she made the payments and when she reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Mr A and Ms L's complaint. I know this will come as a disappointment and so I will explain below why I've reached the decision I have.

I have kept in mind that Ms L made the payments herself and the starting position is that Barclays should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. I appreciate that Ms L did not intend for the money to ultimately go to a scammer – but she did authorise these payments to take place. However, there are some situations when a bank should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time - Barclays should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- 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). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so.

So, I've thought about whether the transactions should have highlighted to Barclays that Ms L might be at a heightened risk of financial harm due to fraud or a scam. I do think Barclays ought to have intervened as her payments started to increase in value and frequency. But, I am not persuaded this would have made a difference. Ultimately, I'm persuaded Ms L was heavily under the scammer's influence.

Amongst Barclay's different actions I've noted it intervened, early than I would have considered necessary, when Ms L authorised a payment for £1000 to another financial entity ("W") on 31 March 2024. It did so via a human intervention.

During this intervention, Ms L was not forthcoming with the information which would have allowed Barclays to ascertain she was being scammed. The questions Barclays asked, although not specifically targeted towards the type of scam Ms L was falling victim to, ought to have resonated with her enough to consider she may be falling victim to a scam. I say this because, amongst other things, Barclays asked her: if anyone had helped her set up the account, what her plans were for the funds after they were sent to her other account and if anyone had informed her what to say if it contacted her. In response to each of these questions Ms L was not open and forthcoming to Barclays. She instead shared answers which reassured it, alleviating any suspicions it may have had.

Ms L was similarly not forthcoming during any of the calls she had with Barclays. Even where she was specifically asked to consider any conversation she may be having with a stranger, she did not share the full details with Barclays.

During interventions with other financial institutions Ms L was also evasive as to the true purpose of these transactions. Informing them she wasn't being scammed and expressing her irritation at being questioned to such levels. Ms L also updated the scammer, expressed her frustration as to what was occurring with these financial institutions and confirmed she should have just sought help from the scammer beforehand. Ms L allowed the scammer to reassure her that interventions were just a 'safety precaution' and how she should respond if asked, giving her a drafted answer to respond with if necessary.

I'll add here that it is common for scammers to coach individuals on how to respond if questioned. Ms L had built up a lot of trust and rapport with this scammer and reverted with to her for guidance, including in response to queries when subsequent interventions occurred. However, I'm persuaded that Ms L had built up a lot of trust in the scammer from the outset and this is most likely why she was not forthcoming with her responses in any of the interventions, even the earlier ones, instead choosing to be more vague than needed and ultimately misleading. It seems very unlikely Ms L would have chosen to do so without being heavily under the influence of the scammer, because she genuinely believed this to be a real job opportunity. There is no other plausible reason why Ms L would have chosen to do so but for these reasons. I do not agree that Barclays could have ascertained Ms L was being scammed based upon her answers – or that it should have probed further in this situation when Ms L was reassuring them. I do not think there were sufficient red flags in this case which should have caused Barclays additional suspicions.

Additionally, even when Ms L was presented with negative reviews by a close family member, and told by them it was a scam, she sent them to the scammer for her thoughts – allowing herself to be reassured. This evidences the level of influence the scammer had over Ms L, especially as the scam went on, that she was trusting them over even a family member. So, I do not think any further interventions would have prevented Ms L from wanting to proceed either.

I've noted Mr A and Ms L has referenced decisions that they believe are close to their scam circumstances. However, we consider each case on its own individual merits and although they believe the circumstances of other decisions seem to be similar, there are key differences.

Whilst Ms L has undoubtedly been the victim of a cruel scam, and Mr A and Ms L have lost a substantial sum of money, I can only uphold the complaint if I'm satisfied that Barclays should have done something differently – which but for such a failing would have made a difference. I do accept there were relatively sophisticated aspects to this scam, such as a platform to manage the user's apparent earnings and tasks. However, for the reasons given, I'm not persuaded that even had Barclays done anything further that it would have prevented Ms L's losses. I think whatever the obstacle Ms L would have reverted to the scammer for guidance – opening / attempting to use other accounts to complete the transfers as necessary, whether using her own or her partners.

Recovery

Considering the recovery options available to Barclays, be it a chargeback for those payments made by debit card or contacting beneficiary banks for those completed by direct transfer, I do not think it could have successfully recover the funds. Ultimately, had Ms L not sent the funds from the accounts they were deposited into they would still be within her

control to access as and when she chose. The fact the funds were eventually sent to the scammer does not automatically give Barclays a way to successfully obtain the funds.

The Contingent Reimbursement Model Code

Although Barclays has signed up to the Contingent Reimbursement Model Code, the payments Ms L made from her account aren't covered by the Code. The Code does not cover debit card payments or those made to another account in her own name. I cannot fairly and reasonably say that Barclays should have to refund payments under the Code when it doesn't apply here.

So, in light of all of the above findings, there's no fair and reasonable basis under which I can ask Barclays to reimburse Mr A and Ms L's loss.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint against Barclays Bank UK PLC.

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

Lawrence Keath
Ombudsman