

The complaint

Mrs and Mr A complain that Barclays Bank UK PLC declined to refund them over £300,000 which they lost as the result of a scam.

What happened

The circumstances of this complaint are well known to both parties, so I will not go into every detail of what happened here. But, in summary, Mr A found an investment opportunity online. He spoke with the company and was persuaded to invest in cryptocurrency. Mr A said they were not promised a specific rate of return on the investment, but instead was shown software which tracked the investment, and a website where he could track the movement of the price of the investment in real time. Mr A also told us that they received regular updates from the company. Between May and August 2019, Mrs and Mr A made a series of four payments from their joint account, and received one payment, as follows:

- 13 May 2019 - £50,000
- 17 May – *received* £3,947.75
- 16 July 2019 - £99,999
- 17 July 2019 – £99,998
- 15 August 2019 - £68,493.62

Mr A said he made the withdrawal of just under £4,000 to satisfy himself that the investment was legitimate. The payments went to an account which he was told was set up in his name, but which he said he did not have access to as they must have set it up for him. The account was based internationally.

Mr A later spoke to some friends, after he had made the fourth payment, who told him they suspected that he may have fallen victim to a scam. Concerned about what happened, Mrs and Mr A contacted Barclays to report that they may have fallen victim to a scam.

Barclays considered what had happened and refunded 50% of the total loss, with just under £160,000 being refunded. It said that it should have done more to intervene with the payments, but it thought that Mrs and Mr A should bear some responsibility for their loss too. This was because it said they had not made reasonable checks before sending the money to the investment.

Unhappy with their response, Mrs and Mr A escalated their concerns to our service. One of our investigators looked into what had happened and did not recommend that Mrs and Mr A's complaint should be upheld. In short, they agreed that Mrs and Mr A ought to bear some responsibility for their loss here on the basis that they had not completed sufficient checks to ensure that they were paying towards a genuine investment.

Mrs and Mr A remained dissatisfied. They did not agree that a 50% deduction on their refund was fair and reasonable on the basis that they did not think their conduct amounted to contributory negligence. They raised numerous points, including that Mrs and Mr A were

vulnerable, that they were not experienced investors, and that they did not agree with some of the things our investigator said should have given them cause for concern. As no agreement could be reached, the case 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.

I would like to start by saying that I was sorry to read about the impact this cruel and callous scam has had on Mrs and Mr A. I can tell from the evidence that we have that this has had a significant impact on them, so I would like to start by offering my sympathies for what they have been put through.

My role here is to assess Barclays' actions against what it should have done. Having done so, I do not think it would be fair and reasonable for me to hold Barclays liable for Mrs and Mr A's remaining losses. So, having considered everything, I am not going to uphold Mrs and Mr A's complaint. I do appreciate how disappointing this will be for them, but I don't think I can fairly say that Barclays should reimburse them with the remaining money that was unfortunately lost to the scammers. I'll explain why.

There is no dispute that the transactions were 'authorised' payments, even though Mrs and Mr A were the victims of a sophisticated scam. Mr A made the payments himself, and under the relevant regulations and the terms and conditions of their account, Mrs and Mr A are presumed liable for the payments in the first instance.

But I've also taken into account the law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time. In this case, this does not include the Lending Standards Board Contingent Reimbursement Model ('CRM') Code as this code requires the payment to have gone directly to a UK based account, which did not happen here. The first payment also pre-dates the CRM Code. But based on the other relevant rules relating to authorised push payment scams, I think 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 and out of character transactions or other signs that might indicate that its customers were at risk of fraud (amongst other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made 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.

So, I consider that as a matter of good practice, Barclays should have been on the lookout for unusual and out of character transactions and where necessary, taken proportionate interventions. Barclays have already conceded that the payments were unusual and out of character, and that they ought reasonably to have intervened further with them. It was on this basis that they decided to provide some level of refund. For completeness, I agree that they fell below the standard I would expect here. What remains in dispute, is whether Mrs and Mr A should also bear some responsibility for their losses, too.

In order to reach a fair and reasonable outcome, I have to think about how any liability should be split between both parties to the complaint – Barclays, and Mrs and Mr A. So, I have to consider what Mrs and Mr A did and didn't do around the time of the payments, and whether this means they should share some liability for their loss.

Having done so, I agree with our investigator that it is fair and reasonable for Mrs and Mr A to share the liability with Barclays. This is because I think that there were things that ought to have given them cause for concern, or prompted them to do further checks or research before making these payments. I say this because:

- Mrs and Mr A did not appear to do any independent checks on the investment company they thought they were using. They have said that they looked at their website and the software was shown to them. Given the large amounts of money being sent, I would have expected them to undertake independent checks before sending the funds.
- Mrs and Mr A did not receive any contractual paperwork, or literature which clearly explained the investment. This ought to have given cause for concern. One would have expected a professional investment company to have professional literature.
- I appreciate that Mrs and Mr A withdrew just under £4,000 to test whether the investment was genuine but given that the first payment made of £50,000 was substantially more than that which he withdrew, I do not think this should have been enough to persuade them that the investment was genuine.
- Whilst there was no guaranteed rate of return, the information the scammer provided to Mrs and Mr A which I have reviewed does appear to show a rate of growth of investment that may have been too good to be true - as I can see Mr A asked the scammer for reassurances that it was legitimate.
- They were provided with updates and access to a website which they believed allowed them to track their investments, which would have added some sense of sophistication to the scam. But I do not think this in and of itself provided enough assurance that the investment was genuine, such that Mrs and Mr A should have gone ahead with the large payments that they did.
- Mrs and Mr A said that Mr A spoke with the scammer at length and was on first name terms with them which had been persuasive. Whilst I appreciate that rapport-building is an important tool used by scammers, I do not think this in and of itself was enough to make the investment appear legitimate. Similarly, the requests for funds were made over the phone and with a sense of some urgency. Again, I appreciate that urgency is a tool used by scammers. But this should have given Mrs and Mr A cause for concern. I understand that trading can require quick action due to fluctuation of investment values, but a third-party applying pressure would not be in keeping with a legitimate investment opportunity.
- I understand that Mrs and Mr A were not experienced investors, but this does not remove the necessity for them to have undertaken sufficient checks to ensure the investment was legitimate.
- Mrs and Mr A, through their representatives, have also suggested that they were vulnerable due to their age and Mr A's bouts of ill health, and Mr A's caring responsibilities for his wife. As this case is not being considered under the CRM Code, vulnerability would not mean that Barclays had to refund Mrs and Mr A in full. It would impact whether they ought to have recognised that Mrs and Mr A were at risk of fraud or financial harm – but they have already conceded that they should have in this case. I do not think that either of the things which Mrs and Mr A's representatives said made them vulnerable represent an inability to protect themselves from being scammed here, so it does not impact my decision of whether contributory negligence should be applied.

So, I think Mrs and Mr A should have recognised the opportunity was possibly not legitimate, and done further checks before deciding to make any payments. And I think if they had, they could have prevented their loss altogether. So, I think it is fair and reasonable that the liability is split equally between Barclays, and Mrs and Mr A.

My final decision

I do not uphold this complaint and do not require Barclays Bank UK PLC to do anything further

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr A to accept or reject my decision before 20 November 2025.

Katherine Jones
Ombudsman