

The complaint

Mr R complains that Barclays Bank UK PLC (“Barclays”) won’t refund payments sent as part of several scams.

Mr R is being represented by solicitors in this complaint.

What happened

The detailed background to this complaint is well known to both parties and has been previously set out by the investigator. Briefly, between January 2022 and May 2023, Mr R made several payments from his Barclays account. The initial payments – January 2022 – were made in connection to an investment opportunity that he had been introduced to by a friend. The payments went to a cryptocurrency provider. The subsequent payments – October 2022 and December 2022-May 2023 – were made in an attempt to recover the initial investment after he was approached by various ‘recovery’ firms. All bar three payments went to Mr R’s account with another payment service provider. The remaining went to a cryptocurrency provider.

Barclays declined to refund the payments. It said it made enquiries with Mr R on multiple occasions and there were no concerns. The bank also said the loss didn’t occur from the payments made from Mr R’s account with it, given they went to his accounts elsewhere (including a wallet in his name with the cryptocurrency provider). The funds were lost to the scammer when they were transferred out from those accounts. As such, Mr R needed to contact other firms.

Our investigator didn’t uphold Mr R’s complaint. They were satisfied that Barclays questioned Mr R at the time of the ‘investment’ payments and prevented one of them after it identified that the company he ultimately intended to send the cryptocurrency to wasn’t regulated and remote access software had been involved. The investigator noted that when Barclays intervened during a later payment, Mr R said he was no longer dealing with the said company and simply wanted to purchase cryptocurrency. This prevented the bank from protecting Mr R from being scammed. In relation to the ‘recovery’ payments, the investigator noted that Mr R had not been forthcoming with other payment service providers he also sent scam payments from when they intervened. So, on balance, any intervention by Barclays would likely have been met with similar responses. The investigator noted from the written correspondence between Mr R and the scammers that he had been coached.

Mr R’s representative didn’t agree with the investigator’s conclusions and asked for the matter to be reviewed by an ombudsman.

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 hear of the circumstances that have led to this complaint. I want to reassure Mr R, his representative, and Barclays that although I’ve only summarised the background, so

not everything that happened is detailed, I've read and considered the submissions made by the parties in their entirety.

Having done so, while I recognise how disappointing this will be, I'm not upholding this complaint. I'll explain why.

It's very unfortunate that Mr R has lost a considerable sum of the money. But Barclays doesn't automatically become liable to reimburse his loss. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment. There's no dispute that Mrs R made the payments, and so they are authorised. But a payment service provider like Barclays has a duty to protect its customers against the risk of fraud and scams so far as is reasonably possible. If it fails to act on information which ought reasonably to alert it to potential fraud or financial crime, it might be liable for losses incurred by its customer as a result.

The very first disputed payment – for £1,000 – flagged as suspicious and was initially blocked by Barclays. The bank's system notes indicate that Mr R confirmed that it was indeed him making the transaction and so the payment was released. Given the amount involved, I consider the bank's intervention, i.e., checking that the payment was being made by its genuine customer, was proportionate. I accept that the merchant was identifiably cryptocurrency related. But purchasing cryptocurrency is a legitimate exercise. In the circumstances, I consider the bank's intervention was a proportionate response.

Barclays did block the next payment – for £2,000 to the same merchant – which was made a few days later. As the investigator mentioned, by asking probing questions the bank identified that the company Mr R was dealing with didn't have much online presence and didn't appear to be regulated by the UK's financial services regulator. Barclays also identified remote access software had been installed on Mr R's device. Based on his responses, the bank decided to cancel the payment instruction and provided a scam warning. It asked Mr R to research the company further and attempt to make a withdrawal from his investment before sending any more money. I'm satisfied the bank acted fairly on this occasion.

Mr R decided to make a further payment for the same amount a few days later. This payment was also blocked. On this occasion, he assured Barclays that although he was purchasing cryptocurrency, he was no longer using the investment company. Instead, he was intended to invest through the cryptocurrency provider directly. Mr R explained he wanted to try investing a small amount into cryptocurrency. As there were no other concerning factors at this time, I can't fairly conclude that the bank acted unreasonably in releasing the payment. Like the investigator, I note that Mr R wasn't honest with Barclays in his responses. The available information shows that he was indeed still investing through the said company until several months after the payment in question.

There was a period of several months where Mr R didn't make scam payments from his Barclays account. When he resumed making payments, as I've mentioned, majority of them went to his account with another payment service provider. Barclays did block some of the payments, but each time the bank spoke to Mr R, he confirmed he was sending money to his own account. On some occasions, he did confirm that he intended to use the money for investing. But there was no mention of a third party being involved. Also, as the investigator noted, we've received information from other payment service providers that Mr R also sent payments from. This includes recordings of intervention calls. Mr R was specifically asked if a third party was involved, and he answered no.

I understand that Mr R was being instructed by the scammers on what to do and what to say. It seems they built credibility to the extent that Mr R didn't heed warnings that being told to provide an inaccurate answer is a strong indicator of being scammed. Reading through

the chat correspondence between him and one of the scammers, I can see that whenever Mr R questioned the scammer and indicated he had some doubts, he received instant reassurances, and the conversation went back on track. While I do acknowledge that scammers can use deceptive tactics, given the destination of Mr R's subsequent payments and the limited information it had, on balance, I can't fairly conclude that further probing during the interventions that did happen – or additional interventions – would have led to a different decision-making on Mr R's part. I think it's more likely that he wouldn't have been forthcoming in his answers and would have gone back to the scammers for reassurance if he did have any concerns.

What this means is that I don't consider Barclays acted unreasonably in executing Mr R's authorised instruction to make the payments.

I've also thought about Barclays's actions after it was notified of the situation. As the payments went to Mr R's own account with another payment service provider or cryptocurrency wallet with a cryptocurrency provider, and we know funds were sent on, there's nothing Barclays could have done recovery-wise.

I know that Mr R will be disappointed with this outcome. Not least because the matter has been ongoing for some time. I recognise that a significant sum of money has been lost to third parties. Despite my natural sympathy for the situation in which Mr R finds himself, for the reasons given, it wouldn't be fair of me to hold Barclays responsible for his loss.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 9 October 2025.

Gagandeep Singh
Ombudsman