

The complaint

Mr N complains that Barclays Bank UK PLC won't refund him the money he lost in an investment scam.

What happened

The circumstances surrounding Mr N's complaint are well-known to both parties, so I haven't repeated them in detail here. Instead, I've set out what I consider to be the key points.

Mr N says he was actively looking for opportunities to invest in cryptocurrency. He left contact details with what he thought was an investment company, but which was fake and created by scammers. He was contacted and persuaded to pay £195.52 as an initial fee to set up an investment account. He says he had conducted some research online before investing and hadn't found any information that caused him concern. He set up accounts with two cryptocurrency exchanges and was told he needed to transfer money to his cryptocurrency wallets, convert it to cryptocurrency and then transfer it to the investment account.

He made one large payment from Barclays to his cryptocurrency wallet and then on to the investment company but received an email saying the transaction had been blocked and he would need to make a 'mirror payment' of a similar size in order to unblock it. Mr N was persuaded to make another large payment but received another email saying he would need to make another such payment to unlock his money. At this point, Mr N realised he had been the victim of a scam.

Mr N made the following payments as part of this scam:

Date	Amount	Payment type	Destination
22/04/2025	£195.52	Card payment	Company A
25/04/2025	£50	Faster payment	Own cryptocurrency account
29/04/2025	£15,000	Faster payment	Own cryptocurrency account
02/05/2025	£14,900	Faster payment	Own cryptocurrency account

Mr N says Barclays didn't do enough to protect him and it should have been able to uncover this scam. He says he visited a branch to make one of the payments and to seek advice, as he had some doubts, but he was just told to make the payment online and wasn't given any advice. He said Barclays should have looked at the wider circumstances before allowing the payments to proceed and should have asked him more questions. While it warned him that cryptocurrency could go down in value, it didn't warn him about people setting up fake investments. He says when Barclays called him about the payment on 2 May 2025, it told him it had identified that he had remote access software on his laptop, and it told him this is something it sometimes sees installed when someone is being scammed. He says he wasn't at home at the time and Barclays should have delayed the payment to allow him to get home and run anti-virus software and look into this issue further.

Mr N said the payment for £195.52 was refunded by Barclays following a chargeback claim.

Barclays didn't uphold Mr N's complaint. It said it did identify the two larger payments as suspicious, and it called Mr N to discuss the payments on both occasions. Mr N didn't answer its questions accurately and this helped to prevent the scam from being uncovered. It said the payments were not covered by the APP scam reimbursement rules because the payments were made to another of Mr N's accounts.

Our investigator didn't uphold Mr N's complaint. He said Barclays was right to intervene on the two larger payments, which were significant payments being made to cryptocurrency exchanges and which warranted further investigation. He thought human intervention by telephone, on both occasions, was appropriate. He considered Barclays had asked reasonable and probing questions and had provided scam warnings that were relevant to Mr N's situation and which were based on the information he gave Barclays about why he was making the payments. Overall, he thought Barclays's intervention was reasonable and proportionate to the situation, but its warnings hadn't resonated with Mr N and he hadn't answered its questions accurately. He didn't consider Barclays was at fault. He didn't think Barclays had any reasonable prospect of being able to recover Mr N's money because it had been sent to another of his own accounts and then transferred to the scammer from there. So, if it had sent recovery claims to Mr N's cryptocurrency exchange, it would only have been told that no money remained in the account.

Mr N didn't accept the investigator's assessment and asked for an ombudsman's 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.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case, it's accepted by all parties that Mr N authorised the payments and Barclays made the payments in accordance with Mr N's instructions.

The APP scam reimbursement rules, which came into effect on 7 October 2024, don't apply in this case because Mr N was making payments to another account that he controlled, and the rules don't apply in those circumstances.

But the matter doesn't end there. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I think Barclays ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I was sorry to read that Mr N has fallen victim to a scam, and I was also sorry to read about the effect this has had on him. Such scams are cruel and can be quite sophisticated. I don't doubt that this has caused Mr N a great deal of distress, as well as a significant financial loss. But, having considered everything, I'm not persuaded that Barclays was at fault here and so I'm not persuaded that Mr N's complaint should be upheld. I shall explain why.

I agree with the investigator that the two smaller payments weren't sufficiently concerning for me to conclude that Barclays ought to have intervened to prevent them or to ask Mr N further questions about them. This is mainly because they were two relatively small payments and are unlikely to have caused significant concern that Mr N was falling victim to a scam. I also agree with the investigator that Barclays was right to intervene by blocking the two large payments and calling Mr N to ask him questions about them, in order to decide whether Mr N was at risk of financial harm from a scam.

In both calls, Barclays asked Mr N the purpose of the payments and he told it he was investing in cryptocurrency. He was asked further probing questions about his investment, such as how long he had been investing in cryptocurrency, which cryptocurrency he was buying, whether he had been contacted about the investment on social media, what kind of research he was undertaking, amongst other questions. I consider these were reasonable questions, designed to probe into the circumstances surrounding the payments and help Barclays decide whether there were any risks that showed Mr N might be being scammed. Barclays gave Mr N relevant warnings about investments that promised unrealistic returns and about being asked to download remote access software. I don't agree that Barclays didn't warn about fake investments and only mentioned that cryptocurrency could go down in value. In the call on 29 April 2025 Barclays explained that the reason for the call was because it had seen lots of investment scams, with customers being told they could earn substantial returns in a short amount of time and instead losing their money.

Overall, I find that the calls were reasonable and proportionate attempts to find out whether Mr N might have been being scammed. I think Barclays did take account of the wider circumstances when doing so. The fact that the calls weren't successful in uncovering the scam doesn't necessarily mean Barclays did anything wrong or failed to take reasonable steps to try and protect Mr N from falling victim to a scam.

I also consider that Mr N didn't answer all of Barclays's questions accurately. If he had answered some of the questions accurately, I consider it's likely that Barclays wouldn't have allowed the payments to proceed or might have asked further questions at the very least. For example, in the call on 2 May 2025, Barclays asked whether Mr N was receiving help from an adviser or a broker and whether he was using an AI bot to trade. Mr N said that he wasn't, and he was doing everything himself. His answers suggested that he was making the payment on his own to his own cryptocurrency account and nobody else was involved. While it's true that he was making the payment by himself, I don't think this answer was accurate because he had been in contact with a representative of the fake investment company, who had advised him on this investment and had told him to set up accounts with cryptocurrency exchanges to enable payments to be made to a separate investment account.

I've considered Mr N's point that he visited a branch of Barclays, on 29 April 2025, for assistance in making one of the payments and to ask it about the risks involved with the payment. He says it didn't help him, but it doesn't change my view of his complaint. I don't think Barclays would have taken a different approach if Mr N had made the payment in branch. I think it would still have asked similar questions about why he was making the payment before it allowed the payment to go through, whether he had carried out any research and would have likely provided similar warnings about the risks of scams. I have no reason to think Mr N's responses would have been any different or would have given Barclays sufficient reason to block the payment.

I've also considered Mr N's comments about the conversation he had with Barclays about remote access software. Barclays questioned Mr N at some length about this. He was quite clear with Barclays that nobody else was making the payment on his behalf or had access to his device. He has also been quite clear in his submissions to this service that he made these payments, rather than someone else with access to his device. Mr N told Barclays he would run a check on his device. If Barclays had delayed the payment further, since there seems to have been no issue with remote access software and it didn't feature as part of this scam, I'm not persuaded that Mr N wouldn't simply have made the payment later.

I don't consider there was any prospect of Barclays being able to successfully recover Mr N's money. The payments successfully credited Mr N's own cryptocurrency account and he says he converted the money into cryptocurrency and moved it on to the scammers, so if Barclays had sent claims to Mr N's cryptocurrency exchange, it would simply have told him

that no funds remained. Mr N told us his card payment was refunded and I can see a credit for £195.52 to his account on 28 May 2025, so it appears this payment was successfully recovered.

Overall, for the reasons given above, I'm not persuaded that Mr N's complaint should be upheld.

My final decision

I don't uphold Mr N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 16 December 2025.

Greg Barham
Ombudsman