

The complaint

Mr B complains that Barclays Bank UK PLC decided not to refund him the money he lost through a scam.

Mr B has brought his complaint to us via a representative, but I will refer to him throughout for simplicity.

What happened

Mr B said that he found out about the launch of a new cryptocurrency through an advertisement on social media. On 9 December 2024, Mr B transferred £30,000 from his Barclays account to his account with a well-known cryptocurrency platform (Platform A) that he'd previously used. Mr B then used some of these funds to buy the new currency using another well-known, decentralised cryptocurrency platform (Platform B).

Mr B said he experienced an issue when he tried to exchange the new cryptocurrency for another. After a failed attempt to contact Platform B's support, he was contacted via a messaging service by someone purporting to be from the platform's support team.

During their chat on 11 December, Mr B was told that the new cryptocurrency could be swapped for another cryptocurrency, and he was invited to connect his platform account (wallet) with the platform server. When Mr B did so, his wallet was emptied of funds and he lost contact with the support representative.

Mr B raised a complaint with Barclays on 27 December 2024. He was told by Barclays fraud team in January 2025 that it would not investigate his complaint because the payment in question had been sent to a cryptocurrency account in his name. Mr B wasn't happy with this response and referred his complaint to this Service the following month.

One of our investigators looked into Mr B's complaint but didn't recommend that it be upheld. They found that Barclays had acted appropriately in the circumstances and that it wasn't responsible for Mr B's loss.

Mr B didn't accept this recommendation and asked for the complaint to come to an ombudsman 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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations; regulators' rules, guidance and standards; codes of practice and, where appropriate, what I consider to have been good industry practice at the time.

I want to reassure Mr B that I have taken into account everything he's provided to us when making my decision and considered all aspects of his complaint. If I haven't mentioned any particular point, it is because I've included those points most relevant to my decision.

When Mr B made his payment in December 2024, there was a mandatory requirement in place for UK Payment Service Providers to reimburse their customers who become victims of fraud through making authorised payments from their bank accounts (in other words via the Faster Payments system) in some circumstances.

The reimbursement requirement covered payments made to accounts that were not under the payee's control, which wasn't the case here as Mr B made the payment to his own cryptocurrency account.

In broad terms, the starting position at law is that a bank, such as Barclays, is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account.

However, this doesn't automatically mean that Barclays cannot bear any responsibility for what might have happened to Mr B. Banks have a regulatory responsibility to conduct their business with due skill, care and diligence, and to pay due regard to their customers' interests and treat them fairly. Banks also need to take steps to reduce the risk that their systems might be used to further financial crime. In practice, this means keeping customers' money safe and taking steps to prevent financial harm.

In this case, I need to decide whether Barclays acted fairly and reasonably in its dealings with Mr B when he authorised the payment from his account or whether it could, and should, have done more before processing it.

Did Mr B fall victim to a scam?

I've first considered whether Mr B fell victim to a scam.

Mr B told us that he lost his cryptocurrency funds when his Platform B wallet was emptied while on a chat with someone he thought was from the platform support team. He believed that the contact was legitimate because he'd been trying to reach the support team to help with a failed transaction. I understand that Mr B had successfully exchanged some of the new cryptocurrency he'd purchased with another cryptocurrency, but a later exchange attempt failed.

During the chat, Mr B provided his email address and details of the failed transaction, and told his correspondent that he was using his phone to access the platform. Mr B was invited to link his platform wallet with what he was told was the platform's server for the purposes of swapping his funds from the new cryptocurrency into another cryptocurrency. This linking allowed access to his wallet.

I've reviewed a transcript of the chat, and it shows that as soon as Mr B linked his wallet, he lost contact with his correspondent. Mr B attempted contact many times over the following hours, eventually saying that "*There has been an error and all my coins have disappeared*".

The chat transcript supports what Mr B told us about what happened. It seems to me that Mr B fell victim to an impersonation scam where he allowed access to his wallet to someone purporting to be from the platform support team who could help him carry out a currency swap, but who was in fact someone who intended to steal his funds.

Let me say at this point, that I am very sorry Mr B has had this experience and incurred such a financial loss.

I have also considered whether Mr B fell victim to an investment scam, either separate from or linked to the impersonation scam. In other words, I've considered whether Mr B was tricked into making the payment from his Barclays account by someone who intended to steal his funds by inviting him to invest in fake currency or invest via a fake platform, for example.

Mr B transferred money from his current account directly to his account with Platform A on 9 December. Mr B told Barclays on a call on the day of the payment that he'd used the platform for about a year, had withdrawn money from the platform before, and had transferred £10,000 to it just a month ago, in November. The company providing the platform, and other services, is authorised by the Financial Services Authority, the UK regulator.

Mr B said that he had researched the new cryptocurrency, and told us *"Those coins were already in circulation, hence in my opinion, those were legitimate. I found out about this investment through the advertisement campaign for the new coin. I saw this advert first on Facebook. Then I did a Google search and looked at the articles on different channels such as CoinDesk and other crypto news sites on the Internet."* My own research shows that the new cryptocurrency is still in circulation and being traded.

I appreciate that Mr B experienced an issue with transactions on Platform B however, this doesn't automatically mean that his exchange requests were deliberately not being actioned. There are legitimate reasons that a transaction might fail, for example if the price of the cryptocurrency or the cost of the transaction moves outside of the tolerances the user has set. I haven't seen any specific warnings about either of these platforms or the new cryptocurrency from the UK regulator, the International Organisations of Securities Commissions (IOSCO, which publishes warnings from regulators across the world) or from any other online sources.

Trading in any cryptocurrency could be considered riskier than trading in traditional fiat currencies, as the latter has a longer history of regulation and is likely to be less volatile. Likewise, investing in a new cryptocurrency might be considered high-risk because of the lack of historic performance data, for example, or its potential for failure. Using the services of a decentralised platform (Platform B in this case) might also be considered a high-risk as it has no centralised authority to turn to if things go wrong.

However, Mr B's use of these cryptocurrency platforms or his purchase of a new currency are not in themselves evidence of a scam. Furthermore, I haven't seen any evidence from Mr B to suggest that he fell victim to an investment scam – he told us that he didn't speak with anyone about the investment, rather he acted on an advertisement, and he used trading platforms that he was familiar with. Altogether, I haven't seen enough to persuade me that Mr B was also the victim of an investment scam in this case.

Should Barclays have recognised that Mr B was at risk of financial harm when he authorised the payment on the 9 December 2024?

When Mr B attempted to make the payment of £30,000 on the 9 December 2024, Barclays stopped the payment and spoke with him about it.

Mr B said that Barclays' intervention here was not rigorous enough and that a proper intervention would have exposed the scam. He said that Barclays should have asked probing questions about the nature of the investment opportunity and where the funds were

going beyond the cryptocurrency platform (Platform A) as victims of investment scams can be directed to open accounts with legitimate exchanges in the first instance, and then directed to make transfers onwards to a scam platform.

I haven't considered what was discussed on the call or made any finding about Barclays' action or inaction. This is because even if everything went as it should have and Barclays carried out a reasonable and proportionate intervention here, it could not have concluded that Mr B was at risk of financial harm from fraud because it was not foreseeable that he would fall victim to an impersonation scam two days later.

As I explained above, I haven't found that Mr B fell victim to an investment scam. While Barclays had a responsibility to protect Mr B from scams, this didn't extend to protecting him from losing money through making genuine investments. Barclays is obliged to process payments efficiently without undue delays and, altogether, I don't think it treated Mr B unfairly or without regard to his interests by processing this payment.

Could Barclays have recovered Mr B's money?

I have considered whether Barclays could have recovered Mr B's funds when it found out about the scam. As mentioned, this payment was not made directly to the scammer but to an account in Mr B's name. Under these circumstances, there were no grounds for Barclays to request a return of the funds as they went to an account which was under Mr B's control, and I don't think it got anything wrong by not attempting to recover the funds.

I don't doubt that this has been a very difficult experience for Mr B. I am sorry he's lost his money and that I can't provide the resolution he's hoping for. For the reasons I've explained, I can't fairly hold Barclays responsible for his loss, and so I am not upholding his complaint.

My final decision

For the reasons I've explained above, I am not upholding Mr B's complaint about Barclays Bank UK PLC and don't require it to take any action in this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 9 January 2026.

Michelle Boundy
Ombudsman