

The complaint

Mr P complains that Barclays Bank UK PLC will not refund the money he lost as the result of a scam.

Mr P used a representative to make his complaint. For ease of reading, I will refer solely to Mr P in this decision.

What happened

As both parties are aware of the details of the scam, I will not repeat them here in full. In summary, Mr P fell victim to an investment scam that he was introduced to through a friend's social media account, though it turned out that account had been hacked. He sent the following payment to digital wallets in his name at three different cryptocurrency exchanges. From there he moved the funds onto the scammer.

payment	date & time	method	value
1	15 October 2024 3.22pm	debit card	£500
2	15 October 2024 3.46pm	debit card	£70
3	16 October 2024 10.37am	debit card	£2,085.53
4	19 October 2024 8.07pm	debit card	£1,000
5	22 October 2024 7.57am	debit card	£3,000
6	22 October 2024 4.17pm	debit card	£2,000
7	22 October 2024 5.43pm	debit card	£1,450
8	22 October 2024 9.11pm	debit card	£1,540
9	23 October 2024 6.09am	debit card	£1,500
10	23 October 2024 5.31pm	debit card	£2,000
11	23 October 2024 6.13pm	faster payment	£2,000
12	23 October 2024 9.11pm	faster payment	£2,000

There was an additional payment for £1,850 on 22 October 2024 that Mr P did not report as part of the fraud. Barclays asked about this but Mr P did not respond so it has not been included. This is not material to the outcome of the complaint. Mr P also received a credit onto his account for £1,848.68 from one of the recipient accounts on 28 October 2024.

As the scam progressed Mr P was asked to send more money for different reasons before he could withdraw any of his earnings – to buy an access code, to upgrade his account and to pay an upfront commission. Despite doing all this he still could not access his money and realised he had been scammed. At this stage he could no longer make contact with the scammer and the investment company's website and app disappeared.

Mr P says Barclays did not do enough to protect his money. Barclays says it is not liable for the loss. It noted it sent a text to Mr P to confirm payment 1 was genuine and showed warnings prior to payments 11 and 12. It declined three further payments Mr P attempted after payment 12 when he didn't return its call about these payments.

Our investigator did not uphold Mr P's complaint. She said Barclays ought to have intervened at the time of payment 5 given the value and the risk level of the recipient account. But as Mr P had proceeded when Barclays intervened with a scam warning at the time of payments 11 and 12 it was unlikely an earlier intervention would have broken the spell of the scam. She later pointed out that there was also evidence that Mr P was present when the scammer successfully coached another victim on how to deal with questions from their bank.

Mr P agreed that Barclays should have intervened at the time of payment 5, but said it would have needed to intervene 'robustly' with a 'significant response'. And he said the way another individual responded to the scammer's coaching cannot form the basis of deciding what he might have done. Barclays should be held at least partially liable for his loss.

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 at law is that 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. There is no dispute here that Mr P authorised these payments.

However, it doesn't stop there. Taking into account relevant law, regulatory rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that by October 2024 Barclays should have:

- been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- 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 firms are generally more familiar with than the average customer;
- 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;
- in some circumstances, irrespective of the payment channel used, taken additional steps, or made additional checks, or provided additional warnings, before processing a payment; and
- been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multistage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

To note, as payments 11 and 12 were made to an account in Mr P's name the Faster Payment Scheme's (FPS) mandatory reimbursement rules for APP (authorised push payment) scams are not applicable. They also do not apply to debit card payments which excludes payments 1 to 10.

In the circumstances of this case I do not find Barclays can be held liable for Mr P's losses. I'll explain why.

I agree with the investigator that the right point of intervention would have been at the time of payment 5 and I note Mr P now accepts this. I say this based on its increased value to an identifiable cryptocurrency exchange which brings a higher level of risk.

This means I need to decide what the effect of an appropriate intervention would have most likely been. I think Barclays needed to provide a tailored automated warning that asked a series of questions to establish the actual scam risk. To decide this case I need to make a finding on what would most likely have happened had it done this. Here we have some relevant evidence from one day later to help inform this finding. When Mr P made payments 11 and 12 he was shown the following warning:

Could this be a scam?

If you've been told which option to choose below, stop – this is a scam.

If someone claims to be from a bank, the police or a well-known company and tells you to move money out of your account, stop – this is also a scam.

Scammers post adverts online and on social media, and produce fake documents and websites to look like genuine companies.

Use the FCA ScamSmart tool before you invest, look out for their warning signs. If the company is genuine, search the FCA website to check it hasn't been impersonated by scammers.

Be suspicious if you've been contacted and told to make payments to release a previous investment.

If you're investing in crypto-currency and you can't access or control your wallet, this is a scam.

Stop. Challenge. Protect.

He had to tick a box confirming he had read this warning and carried out the recommended checks. He was told if it was a scam he could lose money.

Mr P went ahead with payments 11 and 12 despite not having carried out checks on the FCA website and despite having had to pay fees to try to access his investment. And I have found no evidence that allows me to conclude he would not have done the same had Barclays shown this warning at the time of payment 5. To be clear, I don't find that the warning was in line with best-in-class industry practice as it tried to cover a number of different scam types, rather than asking iterative questions and identifying the specific scam risk before giving a tailored warning.

However, I am satisfied there were enough relevant pointers to the scam Mr P had fallen victim to for it to resonate. This includes the prompt to carry out a check with the FCA before investing and having to pay to release investment earnings. So I can't fairly conclude had Barclays intervened at the time of payment 5 it would have broken the spell of the scam. I think it's more likely Mr P would have made the payment as he did the following day.

Mr P says had Barclays called him it would have made a difference. Putting aside whether that would have been proportionate at this stage, I am not persuaded that it would have made a difference. I say this as we know two banks called Mr P's partner who fell victim to the same scam at this time. The scammer successfully coached her through these calls and the payments went ahead. I have thought carefully about Mr P's comment that this cannot be used to decide how he would have responded to a call from Barclays. And whilst I accept it is not certain, he was with his partner at the relevant time and they were making joint decisions about the 'investment' so I think it is a reliable and credible indicator of his likely response.

It follows I do not think a proportionate, effective intervention from Barclays would have broken the spell of the scam and prevented Mr P's loss. So I cannot hold the bank liable.

I have also considered if Barclays did enough to try to recover Mr P's money once it was aware of the scam. The payments were made to cryptocurrency exchanges and Mr P then sent that cryptocurrency to the scammer so he knew the funds were no longer there to be recalled. This means Barclays would not have been able to recover the funds from the account it credited by faster payment. For the debit card payments, the recovery route would have been through the chargeback scheme. But I don't consider that chargeback claims would have had any prospect of success given there's no dispute that the cryptocurrency exchanges provided the services they sold to Mr P - the funds appeared in his digital wallets and he subsequently sent them to the scammer.

I am very sorry to read about the loss Mr P had suffered and his resulting vulnerability. Barclays however was not aware of this at the time so I cannot find it failed to make any necessary adjustments in its dealings with Mr P.

It follows I am not instructing Barclays to refund any money to Mr P. This is a difficult decision to make, I'm sorry Mr P has lost a considerable amount of money and I can understand why he would like to be compensated for his loss. I do accept Mr P has fallen victim to a sophisticated scam. But I can only consider whether the bank, which had no involvement in the scam itself, should be held responsible for what happened. For the reasons set out above I do not find Barclays can be held liable in the circumstances of this case.

My final decision

I am not upholding Mr P's complaint.

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

Rebecca Connelley
Ombudsman