

The complaint

Mr J is unhappy that Barclays Bank UK PLC won't reimburse money he lost to a scam.

Mr J is represented by a third-party claims firm, but I will refer to Mr J here.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mr J has explained that between December 2020 and September 2024 he made payments from his Barclays account to another account in his name (which I will refer to as "Bank M") to buy cryptocurrency which he ultimately lost to an investment scam.

Mr J says he was contacted by a scammer and introduced to an investment. He says the scammer showed him a copy of his passport and the profits he had made from investing. Mr J advises this was done with the intention of luring him in and gaining his trust. He said he was also given access to a trading platform where he was shown fake profits. They also helped him to open accounts with a number of trading platforms as part of the scam. Mr J realised he had been scammed when he wasn't able to withdraw any profits. Mr J reported he had been scammed to Barclays. He has told us he lost £76,130 as a result of the scam.

Mr J raised a complaint with Barclays. It didn't think it had done anything wrong by allowing the payments to go through. So, Mr J brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think the payments Mr J made were unusual and so they didn't feel Barclays should have identified a scam risk. Mr J didn't agree. He said, in summary, that Barclays hadn't protected him or made him aware of the risks of investing. He also explained that some of the payments were made after the Consumer Duty had come into force, which he said puts obligations on businesses to avoid foreseeable harm to customers.

Mr J's complaint has now been passed to me for review and a 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.

I'm sorry to disappoint Mr J, but I'm not upholding his complaint - for broadly the same reasons as the investigator.

I think it's important to note here that although Mr J has provided some chats he had with the scammer covering a short period of time and statement data, we have not been provided with evidence to show that the funds invested were subsequently sent to the scammer. Generally, I would expect to see some more evidence to link the disputed payments to a scam, before considering if Barclays should have done anything else to intervene in the payments. However, I don't think this makes a difference to the outcome of Mr J's complaint

because, like the Investigator, I don't think Barclays ought reasonably to have identified the payments as suspicious or out of character, such that it ought to have intervened. So, I'm going to proceed on the basis that Mr J did suffer a loss to the scam he's described.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Barclays is expected to process authorised payment instructions without undue delay. But in some circumstances a bank should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

Barclays didn't identify that Mr J might be at risk of financial harm from a scam when he made the disputed payments. So, I need to decide if the transactions were concerning enough that I would have expected Barclays to have had a closer look at the circumstances surrounding them. But I also need to keep in mind that banks such as Barclays process high volumes of transactions each day, and that there is a balance to be found between allowing customers to be able to use their account and questioning transactions to confirm they are legitimate.

I have reviewed the available statements which show Mr J's general account activity, along with the payments he made to the scam. And having considered the frequency of the payments, the value of them and who they were made to, I'm not persuaded Barclays ought to have found any of the payments suspicious, such that it should have made enquiries of Mr J before processing them.

These payments were being made to an account in Mr J's own name, and although Barclays should, at the time, have been aware of the risk of multi-stage fraud such as Mr C was experiencing, I consider it reasonable that Barclays might have taken some reassurance from this fact in the circumstances. I can also see that Mr J had sent funds to Bank M regularly in the year before the scam, so it was an established account Mr J regularly made transfers to. The majority of the payments made towards the scam were £1,000 and under. So, while I accept there were a few payments that were higher in value than what he usually made from this account, customers do occasionally make higher value payments than they usually do. So, I don't think Barclays would have realised that Mr J was falling for a scam.

I've also considered the frequency of the payments. The scam payments were also made over several years. Scams rarely persist for such lengthy periods, so the payments were unlikely to have raised suspicion with Barclays. The payments did not increase significantly during this time, which is something that can happen when a customer is falling victim to a scam. So, based on circumstances I wouldn't have expected the payments to have caused Barclays concern.

So, while Barclays should be looking out for signs that their customers are at risk of financial harm from fraud, I'm not persuaded that the destination of the payments, the value or the frequency of them were so unusual or suspicious for Barclays to have suspected Mr J was at risk of financial harm - thereby prompting it to intervene before processing them.

I've also considered the comments Mr J has made regarding Barclays' obligations following the introduction of the Consumer Duty. However, given the information that was available to Barclays at the time Mr J made these transactions, I don't think the loss was foreseeable in these circumstances for the reasons I've explained above.

Taking all of this into consideration, I don't think Barclays ought to have done more before following the instructions Mr J gave.

Could Barclays have done anything to recover Mr J's money?

I've considered whether Barclays could have done anything to recover Mr J's payments once the scam was uncovered, but because the payments were sent to another account in Mr J's name, and then on to the scam, it wouldn't have been possible for Barclays to recover them.

I realise this means Mr J is out of pocket, and I'm really sorry he's lost money. However, I don't think I can reasonably tell Barclays to reimburse him.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 21 October 2025.

Aleya Khanom
Ombudsman