

The complaint

Mr F complains that Barclays Bank UK Plc won't refund the money he lost to an investment scam.

What happened

In 2023, Mr F says he decided to take up an investment opportunity after he was contacted by someone from a trading firm which I will refer to as "N". Between 10 October 2023 and 24 November 2023, Mr F used his Barclays bank account to make five payments to N. Mr F says that another person from the trading firm contacted him in May 2024 to say that his original contact had been fired for operating an internal scam. Mr F continued to work with the new contact making trades but realised he had fallen victim to scam when he could not withdraw any money, and his account balance had fallen to zero.

Barclays wasn't convinced that Mr F was the victim of a scam, so it didn't agree to refund any of the transactions.

Our investigator didn't think it was clear that Mr F was the victim of a scam. He said that the businesses involved in the alleged scam, were still in operation and registered on the Financial Conduct Authority (FCA) website. Our investigator said the regulator hadn't published any warnings about the businesses which might have identified them as fraudulent companies. Our investigator said that Mr F hadn't provided persuasive evidence to demonstrate that he had been scammed.

Our investigator noted that Mr F had been able to withdraw funds from the business to another credit card. Overall, our investigator wasn't persuaded that the businesses complained about had been fraudulent.

Our investigator said that even if he accepted N was operating a scam, he wasn't persuaded the payments would have appeared unusual. So, there would have been no reason for Barclays to intervene.

Our investigator didn't think it likely that Barclays could have recovered the funds as they went in euros to an international bank account overseas.

Mr F disagrees with the outcome. He says the scammer told him when to deposit funds so they could place the trades, and he had no control over which trades were made. Mr F says he doesn't have the skills or knowledge to place trades analysing specialist markets. Mr F points out that scammers can be employees of companies and that the broker continues to trade. Mr F has supplied screenshots of documents which he says show that the broker was operating a scam.

As Mr F remains unhappy with the outcome of his complaint, it has come to me 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.

Having done so, I am not upholding this complaint for broadly the same reasons given by our investigator. In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities - in other words on what I consider is more likely to have happened based on the evidence available and the surrounding circumstances.

For the sake of completeness, the Contingent Reimbursement Model (CRM) Code doesn't apply in this case because Mr F made the payments to an international account.

Mr F doesn't dispute that he authorised the disputed payments from his Barclays account. So, the starting point under the relevant regulations (in this case, the Payment Services Regulations 2017) together with the terms of Mr F's account, is that he is responsible for payments he's authorised himself.

Taking into account the law, regulators' 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 in 2023, Barclays should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have 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 banks are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – as in practice all banks do;
- have 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, enable it to do so; and
- have been mindful of – among other things – common scam scenarios, the evolving fraud landscape (including for example the use of multi-stage fraud by scammers) and the different risks these can present to consumers, when deciding whether to intervene.

Although Barclays has a responsibility to protect customers against the risk of financial harm due to fraud, it isn't obliged to protect customers against the risk of bad bargains or give investment advice. So, before Barclays has any potential liability in the matter, I must first be satisfied the disputed transactions were lost to a scam.

When considering Mr F's case, I have paid attention to his testimony and supporting evidence of the scam. Although Mr F has supplied chat history from 2024, that postdates the disputed transactions and doesn't evidence how the alleged scam began. So I can't corroborate that any of the transactions complained about were sent under the instructions of a scammer. The screenshots Mr F sent in response to the investigation outcome appear

to show online reviews and discussions about N rather than specific evidence of the scam he says he fell victim to. I appreciate that some of the things he's mentioned in his testimony raise concerns about the nature of what he was involved in – but, given the amounts involved, we couldn't safely conclude he was scammed without evidence to back up what he's said. Based on the limited information we have, it is difficult to find that Mr F was the victim of a scam, rather than a high-risk investment opportunity.

Whilst the trading platform is not regulated in the UK, it is still operational and used for genuine trading. I believe it's regulated by an overseas financial regulator. Because we have also considered other complaints made by Mr F about losses involving the same alleged scam, I know that N is part of a group of companies, some of which operate in the UK. The group company operating in the UK is regulated by the FCA and has confirmed that the trading account number provided by Mr F belongs to a group company operating overseas – suggesting that Mr F made the payments to the real N, rather than a cloned version.

Even if I was persuaded that the transactions related to a scam, it wouldn't change the outcome of Mr F's complaint, and I will explain why.

In Mr F's case, he made five payments to N from his current account with Barclays, which had been open since at least July 2022. The largest payment of £4,500 was made on 10 October 2023, with another payment of £500 the same day. There was then a gap of over three weeks before the next transaction for £3,000. Mr F made the final two payments of £700 a few weeks later. I am not persuaded that the size or pattern of any of these transactions should have appeared unusual to Barclays.

Mr F's account with Barclays wasn't left drained after making the payments to N. He'd used the same Barclays' account to pay over £30,000 for a vehicle in February 2023 and had also received credits totalling more than £58,000. There are past trading related transactions on the account too (like dividends being paid in). So, there was a history of using the account for high value, as well as investment related, transactions. Meaning these wouldn't have looked concerningly out of character with previous usage. Although the payments to N were made internationally, they were going to a trading platform with nothing in the public domain at the time to suggest it was a scam. For all these reasons, I wouldn't have considered it necessary for Barclays to intervene in any of the payments Mr F made to N. So, even if N was operating a scam, I don't think Barclays missed the opportunity to uncover this.

The concerns identified by Mr F became known after he made the payments. So, even if I considered the payments he made were unusual – which I don't – I would find it unlikely that an intervention by Barclays in 2023 would have made a difference.

Like our investigator, I am not persuaded that Barclays could have successfully recovered the funds paid. The time that has elapsed between making the payments and contacting Barclays about the alleged fraud, meant that any chance of recovery was unlikely. Particularly as the money went to an account overseas, making recovery even harder. I would also only expect recovery action to be attempted for scam payments, and I'm not satisfied these were lost to fraud.

I'm sorry to disappoint Mr F, as I know he has lost a significant amount of money. But I'm not satisfied that I can fairly ask Barclays to refund him.

My final decision

My final decision is that I don't uphold Mr F's complaint about Barclays Bank UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or

reject my decision before 6 November 2025.

Gemma Bowen
Ombudsman