

## The complaint

Mrs Z complains that Barclays Bank UK PLC didn't do enough to protect her from the financial harm caused by an investment scam, or to help her recover the money once she'd reported the scam to it.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mrs Z came across an advert for an investment opportunity while she was on social media. She expressed an interest and was contacted on WhatsApp by someone I'll refer to as "the scammer" who claimed to work for Company M.

The scammer told Mrs Z she could make returns of up to 200% by investing in cryptocurrency, so she reviewed the company website and was satisfied it appeared legitimate. She was then given access to a trading platform which appeared to show real time returns.

Mrs Z already had a cryptocurrency account, and the scammer told her to first purchase cryptocurrency and then load it onto an online wallet. Between 31 May 2024 and 20 September 2024, she made 36 faster payments from her Barclays account to three beneficiaries.

She was able to make an initial withdrawal, but she realised she'd been scammed when she was required to pay additional fees to make a withdrawal and her account was frozen. Mrs Z complained to Barclays, but it refused to refund any of the money she'd lost and so she complained to this service with the assistance of a representative who said it should have intervened on 13 August 2024 when Mrs Z paid £3,000 to C. They explained that Mrs Z typically used the account for daily spending and so payments for cryptocurrency were out of character and ought to have raised concerns.

They said it ought to have asked Mrs Z how she found out about the opportunity, which platform she was using, and what returns she was expecting and had it done so it would have identified that the investment had the hallmarks of a cryptocurrency scam. It should then have checked the Financial Conduct Authority ("FCA") list, and had it done so it would have discovered she was dealing with a clone of a genuine company.

Responding to the complaint, Barclays said the funds weren't lost from Mrs Z's Barclays account and the Contingent Reimbursement Model Code ("CRM") Code didn't apply to payments to accounts in the consumer's own name. It also said there was no basis upon which the Bank could attempt to recover the money.

Our investigator didn't think the complaint should be upheld. She agreed that Barclays should have intervened on 13 August 2024 when Mrs Z sent £3,000 to C and that it should have given her an automated cryptocurrency warning highlighting the key features of

common cryptocurrency investment scam and highlighting the importance of checking on the FCA website.

But she noted Mrs Z had said she'd reviewed the platform and the FCA website and that the photo of the scammer matched the photo on M's website and social media profile. So, she believed he was who he said he was. In addition, when Barclays blocked a payment for £10,000 on 16 August 2024, Mrs Z said there were no third parties involved, she was purchasing cryptocurrency and had opened her cryptocurrency account two years before.

Our investigator further explained that Barclays asked Mrs Z if she was moving the funds somewhere else and she said it would remain in her wallet. She also said she hadn't received any calls or links, she hadn't been told to download remote access software or make a fast decision on an investment, and she hadn't been told what to say to Barclays.

She further explained that she satisfied Mrs Z had been coached to lie, explaining that messages with the scammer showed he had guided her on how to respond to Barclays questions on 16 August 2024, and that he had offered guidance when she was required by C to complete a questionnaire. In addition, Mrs Z had tried to borrow money to fund the scam as late as September 2024 and was consulting with the scammer on other ways to send funds having been restricted by various cryptocurrency exchanges and was consulting with the scammer on other ways to send funds.

Our investigator felt Mrs Z was under the spell of the scammer to the extent that she followed his advice to give misleading responses to Barclays and that this prevented it from detecting the scam on 16 August 2024. And she didn't think an earlier intervention on 13 August 2024 would have been any different.

Mrs Z has asked for her complaint to be reviewed by an Ombudsman. Her representative has argued that Barclays should have been aware that victims often give misleading answers and that it should have questioned her more robustly. It should also have given a more in depth, clear warning explaining that scammers mimic legitimate platforms, and had it done so, the spell of the scam would have been broken.

The representative has also argued that Mrs Z should have been called into the branch on 19 August, when she sent £23,100 to C via five separate payments, having already sent £18,850 to the scam that month.

### **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've reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Mrs Z has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

The Contingent Reimbursement Model ("CRM") Code requires firms to reimburse customers who have been the victims of Authorised Push Payment ('APP') scams, like the one Mrs Z says she's fallen victim to, in all but a limited number of circumstances. Barclays has said the CRM Code doesn't apply to payments to accounts in the consumer's own name, and I'm satisfied that's fair.

I'm satisfied Mrs Z 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, although she didn't

intend the money to go to scammers, under the Regulations, and under the terms and conditions of her bank account, Mrs Z is presumed liable for the loss in the first instance.

Our investigator expressed some concerns about the evidence Mrs Z had produced to show she'd lost money to a scam, but I don't need to make a finding on this because I don't think there was anything Barclays could have done to prevent her loss. Barclays is expected to process payments and withdrawals that a customer authorises it to make, but where the customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment.

#### *Prevention*

I've thought about whether Barclays could have done more to prevent the scam from occurring altogether. Buying cryptocurrency is a legitimate activity and from the evidence I've seen, the payments were made to genuine cryptocurrency exchange companies. However, Barclays ought to fairly and reasonably be alert to fraud and scams and these payments were part of a wider scam, so I need to consider whether it did enough when Mrs Z tried to make the payments. If there are unusual or suspicious payments on an account, I'd expect it to intervene with a view to protecting Mrs Z from financial harm due to fraud.

I've considered the nature of the payments, and I agree Barclays should have intervened when Mrs Z paid £3,000 to C on 13 August 2025, and as it would have known she was sending funds to a cryptocurrency merchant. And, regardless of her responses, it should have given her a warning that was tailored to cryptocurrency investment scams.

But I don't think this, or any other intervention would have made a difference. This is because there is strong evidence that Mrs Z was being coached by the scammer and based on the intervention that took place on 16 August 2024, I think she would have followed his instructions to mislead Barclays about the circumstances of the payment and that this would have prevented it from detecting the scam.

Mrs Z's representative has argued that Barclays ought to have considered the possibility that she was being coached and asked more probing questions, but I don't think this would have made a difference because it's likely she would have continued to deny the existence of a third party and withhold the aspects of the investment which would have indicated that she was being scammed.

I've also thought about whether a better warning would have made a difference, and I don't think it would. I'm satisfied Mrs Z had believed the investment was genuine to the extent that she was prepared to borrow money from friends and lie to Barclays to ensure her payments were processed, and she continued to make payments to the scam after being warned that scammers coach victims to lie to their banks on 16 August 2024. And it's clear from her messages to the scammer that she was so determined to continue with the investment that she went ahead with payments despite having concerns. So, I don't think a warning on 13 August 2024, or a better warning on 16 August 2024 would have made any difference.

Mrs Z's representative has also argued that Barclays should have invoked Bank Protocol on 19 August 2024 because she sent £23,100 to C via five separate payments, having already sent £18,850 to the scam that month. But by this time, Mrs Z had been investing for nearly three months, C was an established beneficiary in respect of whom she'd already answered questions, and she'd received credits into the account, so I don't think it's unreasonable that this didn't happen. And I don't think a similar intervention to the one on 16 August 2025 would have had a different outcome.

Overall, I don't think Barclays missed any opportunities to prevent Mrs Z's loss and I'm satisfied Barclays took the correct steps prior to the funds being released. I'm sorry to hear Mrs Z has lost money and the effect this has had on her. But for the reasons I've explained, I don't think Barclays is to blame for this and so I can't fairly tell it to do anything further to resolve this complaint.

#### *Recovery*

I don't think there was a realistic prospect of a successful recovery because Mrs Z paid an account in her own name and moved the funds onwards from there.

#### *Compensation*

The main cause for the upset was the scammer who persuaded Mrs Z to part with her funds. I haven't found any errors or delays to Barclays investigation, so I don't think she is entitled to any compensation.

#### **My final decision**

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Z to accept or reject my decision before 28 January 2026.

Carolyn Bonnell  
**Ombudsman**