

The complaint

Mr S complains that Barclays Bank UK PLC hasn't reimbursed the money he's lost to a scam.

What happened

Between November 2021 and October 2022, Mr S invested a total of £8,745 (individual transactions set out in the table below) with a company I'll refer to as 'H'. H was operating a cryptocurrency investment scam.

Payment number	Date	Amount	Payment type	Destination
1	1 November 2021	£1,520	Faster payment	Payee 1
2	1 February 2022	£3,725	Faster payment	Mr S' own account with another firm
3	1 February 2022	£2,000	Faster payment	Payee 2
4	10 October 2022	£500	Cash withdrawal	N/A
5	10 October 2022	£500	Cash withdrawal	N/A
6	10 October 2022	£500	Cash withdrawal	N/A

Payment numbers 1-3 either went directly to Mr S' friends and fellow investors, or to his friends and fellow investors via an account he held in his own name with another firm, so that they could purchase USDT for him, to fund his investment with H. The cash Mr S withdrew on 10 October 2022 was handed over to an intermediary to purchase USDT for his investment with H.

Mr S reported the fraud to Barclays and asked the bank to reimburse him under the provisions of the Lending Standards Board's Contingent Reimbursement Model ('CRM Code'). Barclays declined to reimburse him because it said there was no proof of loss of funds.

Our investigator considered this case but didn't think it should be upheld. Mr S asked for an ombudsman's final decision, so the case has been passed 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.

From what I've seen, I'm satisfied that Mr S was most likely scammed by H, and that some or all of the transactions he's disputing were lost to the scam. However, I'm not persuaded that it would be fair or reasonable to hold Barclays liable for his loss. I'll explain why.

Barclays was a signatory of the CRM Code, and it was in force when the disputed payments and withdrawals were made. The CRM Code was in place to see the victims of scams refunded in most circumstances. But I'm not persuaded it applies to the disputed payments and withdrawals. That's because they don't meet the CRM Code's definition of an Authorised Push Payment ('APP') scam, which is as follows:

Authorised Push Payment scam, that is, a transfer of funds executed across Faster Payments, CHAPS or an internal book transfer, authorised by a Customer in accordance with regulation 67 of the PSRs, where:

- (i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or*
- (ii) The Customer transferred funds to another person for what they believed were legitimate purposes but which were in fact fraudulent.*

Payment numbers 1-3

These payments either went directly to Mr S' friends and fellow investors, or passed through another account held in Mr S' own name before reaching his friends and fellow investors, so that they could purchase USDT for him, to fund his investment with H. So, they aren't covered by the CRM Code because, either they weren't paid directly from Mr S' Barclays account to another person, or they were but there's nothing to suggest that the other person wasn't legitimate/the purpose of making the payments to the other person wasn't legitimate. There's nothing to suggest that Mr S' friends and fellow investors did not use his funds to purchase USDT for him, as expected. From the available evidence, I think it's most likely that Mr S' friends and fellow investors were caught up in H's scam too, and Mr S had a genuine relationship with them. I haven't seen any persuasive evidence which suggests that they deceived Mr S into parting with his money.

Payment numbers 4-6

Cash withdrawals are not faster payments, CHAPS or internal book transfers, so they are not covered by the CRM Code.

Other considerations

Looking beyond the CRM Code, at a firm's responsibilities to protect customers from financial harm through fraud, I can still find no reason to say Barclays ought to bear responsibility for Mr S' loss. Taking account of what Barclays knew about Mr S and the disputed payments and withdrawals at the relevant time, I'm not persuaded that it ought to have identified a fraud risk, or that it ought to have taken any action in relation to the payments and withdrawals. They were spread out over a period of around a year, and they were in line with Mr S' usual account activity.

Finally, I've thought about whether Barclays could've done more to recover Mr S' funds but, due to the nature of the disputed payments and withdrawals, I'm not persuaded that it could.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 January 2026.

Kyley Hanson
Ombudsman