

The complaint

Mrs G is complaining that Barclays Bank UK PLC didn't do enough to prevent her from making payments to a scam.

The complaint is brought on her behalf by a professional representative.

What happened

Mrs G was introduced to what she believed to be a genuine investment scheme by a friend.

Over a 14-month period between March 2021 and May 2022 Mrs G invested over £17,000 into the scheme from her accounts with Barclays. The transfers Mrs G made were to two cryptocurrency providers to buy cryptocurrency (before being transferred to the scheme) and ranged in value from £100 to £4,000.

Mrs G could see her investment growing on the scheme's trading platform, but she says she was unable to withdraw any funds, and then when she tried to access the account she was unable to do so.

In late 2024 Mrs G complained to Barclays about what had happened. Barclays didn't agree to refund the disputed payments. So, Mrs G brought her complaint to us, through her representative.

Our Investigator didn't think Mrs G's complaint should be upheld. He issued his view saying that he didn't think Barclays ought to have intervened in the payments, as they didn't look unusual or suspicious. He then issued a second view, saying that he didn't think Mrs G had provided enough evidence to substantiate her loss to the scam.

Mrs G's representative disagreed. It said, in summary, that Barclays ought to have intervened in the payments Mrs G made because it should have found them suspicious. When it received the Investigator's second view, it sent us some more information which it said demonstrated Mrs G had suffered the loss she claimed.

Mrs G'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.

Having done so, I'm not upholding Mrs G's complaint – for much the same reasons as the Investigator's explained.

I've thought about the Contingent Reimbursement Model (CRM) code which can offer a potential means of obtaining a refund following Authorised Push Payment (APP) scams. But payments sent to another account within the customer's control aren't covered under the CRM code - so I can't consider Mrs G's complaint with it in mind. I've therefore considered whether Barclays should reimburse Mrs G under any of its other obligations.

Mrs G's representative has now provided more evidence which it says demonstrates her loss to the scam. I should explain that like the Investigator, I don't consider that the evidence provided to us shows that all the payments Mrs G made from Barclays were invested in the scheme and subsequently lost in their entirety, although I appreciate that due to the passage of time Mrs G has had difficulty obtaining evidence. But ultimately, I don't need to make a finding on whether Mrs G has suffered the loss to the scam she's claimed to reach a fair outcome here. This is because even if I did accept that Mrs G had suffered the loss she has claimed, I don't think Barclays ought to have done anything else here to prevent her from making the disputed payments.

When a payment is authorised, Barclays has a duty to act on the payment instruction. But in some circumstances, it should take a closer look at the circumstances of the payment – for example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. I'd expect any intervention to be proportionate to the circumstances of the payment.

But I've also kept in mind that Barclays processes high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

The disputed payments here were mostly of a relatively low value and in keeping with the value of the payments Mrs G generally made from her accounts. The payments were also quite spread out – between March 2021 and May 2021 from one of her accounts, and from October 2021 to May 2022 from her other account. The payments didn't increase rapidly in value or frequency in a way which can sometimes indicate a scam was taking place.

I've considered that the payments were made to cryptocurrency providers and that Barclays should have been aware of the risks of cryptocurrency scams. But at the time these payments were made in 2021 and 2022, I'd have expected Barclays to take into account a range of factors when deciding whether to intervene; I wouldn't expect it to treat payments to cryptocurrency as carrying a significantly heightened risk of fraud.

On 24 November 2021 Mrs G made two payments to one of the cryptocurrency exchanges – one of £3,800 and one of £4,000. It could be argued that this was a relatively significant amount for Mrs G to send in one day compared with her day-to-day activity on this particular account (although it's worth noting that some months before she had used this account to make a payment of £50,000). But I'm not persuaded that this was so out of character that Barclays should have been concerned that there was a significant risk of financial harm from a scam to Mrs G, so that it would have been proportionate for it to have contacted her directly.

Barclays didn't give a specific warning when Mrs G made these payments on 24 November 2021, but it has told us it had already given Mrs G written warnings about the risk of investment scams before she made these two payments - in February 2021, March 2021 and October 2021. The warnings gave advice to check the Financial Conduct Authority's (FCA's) register and warning list to confirm that the investment company was certified and regulated before proceeding (and a warning had been published by the FCA to say this company wasn't authorised by it). They also advised Mrs G to get a second opinion from a qualified adviser – and if the offer sounded too good to be true, it probably was. Unfortunately, it seems these warnings didn't resonate with Mrs G, but this doesn't mean that they weren't proportionate to the circumstances here. And in all the circumstances I don't think Barclays needed to do anything else.

I've thought about whether Barclays ought to have done more to try to recover the payments

when Mrs G reported what had happened – but we know that the funds remained under Mrs G's control after they left Barclays, and she then moved them on to the scheme. So, it wouldn't have been possible for Barclays to have recovered the funds, even if Mrs G had reported what had happened sooner.

I'm sorry to disappoint Mrs G. But for the reasons I've explained, I don't consider that it would be fair or reasonable to uphold her complaint.

My final decision

My final decision is that I'm not upholding Mrs G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 2 December 2025.

Helen Sutcliffe
Ombudsman