

The complaint

Ms D complains that Barclays Bank UK PLC (Barclays) declined to reimburse money that she paid after falling victim to an investment scam that began in April 2022.

I was sorry to hear of Ms D's experience and that she has needed to contact us under these circumstances.

What happened

In early 2022 Ms D was introduced to a third party investment company that we'll call Y, by a partner of a friend as a way to invest.

After taking several steps to reassure herself that the company and investment opportunity was legitimate, Ms D decided to contact the Y broker.

Ms D then made three payments to a third party cryptocurrency exchange of £2 on 11 February, £2998 on 14 February and £3000 on 8 March 2022.

Barclays spoke to Ms D on both 14 February relating to the payment of £2998 and on 8 March 2022 relating to the payment of £3000 to intervene in the payments she was attempting to make. During these calls Ms D provided answers to Barclay's questions in relation to the payments and Barclays provided scam warnings.

Initially Ms D made profits on her investment, which reassured her of the legitimacy of the investment and she decided to allow her investment to grow.

In October 2022, Y suddenly announced that it was stopping withdrawals and Ms D was unable to access her funds. It was at this point that Ms D suspected she had been the victim of a scam.

Ms D raised a complaint with Barclays on 23 January 2025 and requested a refund of the £6000 she says she lost to the scam.

Barclays responded on 28 January 2025 and explained that as Ms D had not yet raised a scam claim with them, she would need to speak to their Fraud Team to answer some questions. They requested the Fraud Team to contact Ms D directly.

Barclays have told us that they attempted to call Ms D on 30 January 2022 to gather further information about the scam, but they were unable to talk to her and she didn't call them back. As such, Barclays have been unable to investigate this matter further.

Ms D was unhappy with Barclays' response to her complaint and so she contacted our service.

Our first investigator considered information from Ms D and Barclays. They concluded that Barclays had acted reasonably in the circumstances.

Ms D disagreed with the investigator's view, as she felt Barclays did not provide a sufficiently robust line of questioning to alert her to the risk of harm.

A second investigator then reviewed the case, due to an unforeseen absence of the original investigator, and considered Ms D's complaint again. They reviewed information from both Ms D and Barclays. They sent an initial view which concluded that they had seen insufficient evidence to show Ms D had been the victim of a scam. They also said that, even if they had

been provided with sufficient evidence, they still felt that Barclays had intervened appropriately, but that Ms D had reassured them she wasn't being scammed.

Ms D disagreed with the investigator's view and provided further information to demonstrate that she had lost money to a scam, which our investigator considered. They issued a second view which concluded that Barclays had acted fairly and reasonably.

Ms D disagreed with the investigator's second view. She explained that Barclays had provided inadequate interventions given the value and nature of her transactions, such as the heightened risk associated with cryptocurrency transactions. Ms D asked for an Ombudsman to consider the complaint.

As such this case has come to me to make a final 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've decided not to uphold Ms D's complaint.

I understand falling victim to a scam or fraud of any kind is a distressing experience and I have taken into consideration Ms D's explanations and evidence around what happened and the significant negative impact these events have had on her and her family, particularly as the loss she has suffered was a large proportion of her savings and that this experience has had a severe impact on her trust in others. I am sorry Ms D needed to contact us in these circumstances.

In broad terms, the starting position at law is that a banking institution such as Barclays are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, taking into account relevant 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 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. This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- 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, enabled it to do so;
- 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;

Having reviewed all the evidence presented to me for this case, I have seen that both parties agree that Ms D authorised these payments.

I have also seen that Barclays made a human intervention for both payments of £2998 and £3000. I wouldn't have expected them to have intervened in the first payment Ms D made of £2 on 11 February 2022, due to the low value of that payment.

Barclays blocked the payment of £2998 when Ms D attempted to make it on 11 February 2022 and they tried to speak to Ms D. Ms D returned Barclays' call on 14 February 2022 and provided reassurance to them that it was a genuine transaction and that she was investing with her partner and friends and was aware of the risks. She also said there was no broker involved and the funds would remain in her own cryptocurrency account and would not be sent to another account.

Barclays confirmed they had unblocked her account and Ms D then attempted to make the payment for £2998 again on 14 February 2022. Barclays made a further call to Ms D to intervene and Ms D reaffirmed her assurances and requested to proceed with the payment.

On 8 March 2022 Barclays blocked Ms D's payment of £3000 and spoke to her to ask questions about the payment and to provide a scam warning. Ms D reassured Barclays the transaction was genuine and that she was investing alongside her partner. She also said there was no broker involved and that the funds would remain in her own cryptocurrency account and would not be sent to another account immediately.

Ms D has told us that Barclays' questioning wasn't sufficiently robust.

A bank such as Barclays has to balance its obligation to process authorised payments promptly against its fraud prevention obligations and we wouldn't expect Barclays to cross-examine its customers.

From all the evidence I have reviewed, I consider Barclays made reasonable attempts during their three calls to Ms D to question her about the payments she was making and to determine whether she was likely falling victim to a scam.

Ms D has told us that her response to Barclays' question around whether a broker was involved in her transactions was completely truthful, as she did not have a specific broker communicating or coaching her.

While Ms D says she honestly considered she did not have a broker coaching her, in her submission to us she has acknowledged that she contacted the Y broker when she first decided to invest. She also gave misleading answers to Barclays that she didn't intend to send her funds from her cryptocurrency wallet on to another account.

I have also seen that Barclays provided Ms D with warnings that she could be falling victim to a scam.

I consider that Ms D's answers to Barclays' questions were sufficient to provide it with reassurances that she was unlikely to be at risk of financial harm due to fraud. As such, I consider Barclays acted reasonably in processing Ms D's payments as she instructed.

Barclays has not attempted to recover Ms D's funds, as they explain she has yet to raise a scam claim with them. Considering the funds Ms D sent from her Barclays account were transferred on to Y on the same day and given that a significant amount of time had passed between the payments being made from her Barclays account, in February and March 2022, and when she first alerted Barclays to her concerns about the scam, in January 2025, I wouldn't have expected Barclays to have been able to recover her funds.

Given everything I have considered above, I propose not to uphold the complaint. Barclays made reasonable attempts to intervene in the payments Ms D wanted to make and to warn her of the potential risk of harm. Ms D provided reassurances, misleading information and confirmed she wanted to proceed to make those payments. As such I have found no fault in Barclays' actions.

My final decision

My final decision is that I don't uphold the complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 31 December 2025.

Matthew Warrington
Ombudsman