

## The complaint

Mr V is being represented by a claims manager. He's complaining about Barclays Bank UK PLC because it declined to refund money he lost as a result of fraud.

## What happened

Sadly, Mr V fell victim to a cruel impersonation scam after he was contacted by scammers claiming to be from Barclays. They said his account had been compromised and told him to move money to his existing account with an Electronic Money Institution (EMI) before moving it to a 'safe' account that turned out to be controlled by the scammers.

On 18 and 19 October 2024, Mr V made the following payments from his Barclays account to his account with the EMI:

No.	Amount £	Method
1	5,000	Card
2	5,000	Card
3	5,000	Card
4	4,550	Card
5	4,350	Card
6	4,050	Card
7	3,950	Card
8	2,500	Transfer

Our investigator didn't recommend the complaint be upheld. While he felt Barclays should have intervened to question the payments and provide scam warnings at an earlier stage, he didn't think that would have made a difference to the outcome because Mr V ignored later warnings and didn't provide the bank with accurate information when it did make further enquiries.

Mr V didn't accept the investigator's assessment. His representative made the following key points:

- The pattern of payments should have alerted Barclays to the possibility of fraud and it should have intervened before payment 2 was processed. At this stage, Mr V recalls the scammers hadn't yet told him to hide the reason for the payments and if Barclays had asked about this, he would have answered truthfully and the scam would have been uncovered.
- The intervention Barclays did carry out was inadequate. The explanation offered by Mr V was incoherent and illogical, for example he didn't know how long he was going to be away for and there was no reason for him to make multiple transfers to his EMI account when he could have made a single payment. The bank should have asked further questions that would have helped to uncover the scam. Further, no meaningful warning was delivered during the call and it ended when Mr V had further questions he wanted to ask.

- The written warning Barclays did provide was brief and not proportionate to the risks presented by the payment being made.
- The call did actually sow the seeds of doubt for Mr V. While he continued speaking to the scammers afterwards, the doubts generated by his interaction with Barclays grew and this broke the cycle of manipulation. This demonstrates that an earlier intervention would have been successful in preventing further losses.

The complaint has now been referred to me for review.

### **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 overall conclusions as the investigator. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Mr V authorised these payments. In broad terms, the starting position at law is that a bank is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Barclays also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Barclays acted fairly and reasonably in its dealings with Mr V.

#### *The payments*

I must take into account that many similar payment instructions Barclays receives will be entirely legitimate and I also need to consider its responsibility to make payments promptly.

Having considered what Barclays knew about payments 1, 2 and 3 at the time, I'm not persuaded it ought to have been concerned. While they were significant and came in quick succession, they were going to an account in Mr V's own name to which he'd transferred money previously without issue. So, I can't say it was at fault for processing the payments in line with his instructions.

By the time of payment 4, however, Mr V had instructed four large payments in a short space of time and this is the point at which a pattern consistent with some known types of scam had begun to emerge. This is when I believe Barclays should have identified he may be at risk of harm from fraud.

Unfortunately, it appears Barclays didn't identify the risk until much later and it only intervened at the point of payment 8. This payment was paused until one of its agents had spoken to Mr V to discuss the situation. Before that call, and at the point the payment was paused, Barclays' records indicate he was shown a warning about safe account scams. In summary, the warning explained that no legitimate organisation would ever ask him to move his money or open an account elsewhere and that if he was being told to move money to another account because it's not safe, this is a scam.

In view of the risks these payments presented, I think a human intervention accompanied by a tailored written warning was a proportionate response to those risks. But in this case, I do think Barclays should have taken these steps earlier when it received the instruction for payment 4. That means the key issue I need to consider, and on which the outcome of this complaint ultimately turns, is whether an intervention at this earlier stage would likely have been successful in uncovering the scam and preventing further losses.

To reach a conclusion on this point, I've listened to a recording of Mr V's call with Barclays' agent on 19 October after payment 8 was paused. Despite the agent emphasising the importance of providing accurate information and that he may not get his money back if it was part of a scam, he hid the real reason for the payment. He instead said he was sending money from the EMI to an account in his home country because he was visiting there shortly and wanted the money to be available when he arrived. The agent then asked if he was returning to his home country permanently, to which Mr V replied he wasn't sure but felt he probably would end up staying.

Mr V's representative argues that this explanation for the payments was incoherent and illogical, but I don't agree with that assessment. If someone has an account in a country they intend to visit, it would make sense to move money to that account before travelling there. And it could very easily have been the case that he genuinely wasn't sure if he'd return and planned to make a final decision on that while he was away. I agree Barclays' agent could have asked further questions about the sequence of payments, particularly why Mr V was transferring money in several payments rather than a single transfer. But given how he'd answered the questions he was asked, it seems unlikely that he'd have suddenly opened up and explained what was really going on.

I also agree that Barclays' agent could have provided a verbal warning about safe account scams, probably the most likely type of scam that could be taking place in these circumstances. But the bank's records show Mr V had already been shown a clear written warning about this type of scam and it's not clear that the agent essentially repeating a message he'd already seen would have changed anything.

So, while there was more the agent could have done, I'm satisfied the combination of the written warning and the call gave Mr V an appropriate opportunity to explain the real reason for the payments along with the information he needed to recognise he was being scammed. For completion, the call appears to have been ended by the bank's agent after he had agreed to release the payment. It's clear from the recording that Mr V had further questions and it's unfortunate the call was ended so abruptly before he had the chance to ask them. But there was nothing to stop him calling the bank again if there were any further points he needed to clarify and I don't think the way the call ended is a relevant factor here.

I've considered whether the outcome would have been any different if Barclays had intervened sooner, particularly at the point of payment 4 when I believe it should have identified Mr V may be falling victim to a scam. I note his representative says he recalls not being told to hide the reason for the payments immediately, but I've got no clear evidence to show when the scammers began to coach him in this way. On the basis that I think the scammers would have been aware Barclays may ask questions about the payments, I conclude it's likely this coaching would have taken place at an early stage. So, on balance, I think it's most likely Mr V would have answered any questions about earlier payments in much the same way as he did when he spoke to the bank's agent on 19 October. And that any earlier intervention would ultimately have been unsuccessful for the same reasons.

While Mr V's representative argues that Barclays' intervention on 19 October was inadequate, it also says this did sow seeds of doubt that ultimately led to him realising he was being scammed. It believes this demonstrates an earlier intervention would have stopped his losses sooner. While I do understand this argument, I don't think the available evidence supports it. In particular, I'm conscious that statements from the EMI account appear to show he made multiple payments to the scam on 19 October after Barclays' written warning and his representative confirms that he did continue engaging with the scammers after the call.

Taking all of these points into account, and while I accept Barclays could have asked more questions and should have intervened at an earlier stage, I don't believe it's likely this would have made a difference to the overall outcome.

The success of any fraud intervention by a bank does depend to some extent on the customer providing accurate information about the payments they're making. In this case, I think that if Mr V had explained why he was really making the payments the scam would likely have been uncovered. But the fact he didn't do so undoubtedly hindered any efforts that could have been made to do this. I want to be clear that it's not my intention to suggest Mr V is to blame for what happened in any way. He fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why he acted in the way he did. But my role is to consider the actions of Barclays and, having done so, I'm not persuaded these were the cause of his losses.

Mr V's representative had also referred to the Financial Conduct Authority's Consumer Duty. I confirm that I've taken account of Barclays' obligations following its introduction but I'm not persuaded this changes the outcome here. While Barclays was expected to avoid causing foreseeable harm, I'm not persuaded its actions (or failure to act) were the cause of the harm Mr V suffered, nor do I think that harm was reasonably foreseeable given the information it had at the time.

### *Recovery of funds*

I've also looked at whether Barclays could or should have done more to try and recover Mr V's losses once it was aware that the payments were the result of fraud.

As some of the payments outlined above were card payments, I've considered whether Barclays should have tried to recover the money through the chargeback scheme. This is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law. A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the recipient of the payment can defend a chargeback if it doesn't agree with the request.

I'd only expect Barclays to have raised a chargeback claim if it was likely to be successful and it doesn't appear that would have been the case here. Mr V sent money to a legitimate

EMI and would have received a service that involved receiving his money and then paying it to the account details he provided (albeit those account details provided by the scammers). Mr V's disagreement is with the scammers, not the EMI and it wouldn't have been possible to process a chargeback claim against the scammers as he didn't pay them directly.

In respect of the transfer, Mr V moved money to an account in his own name meaning he wouldn't be eligible for reimbursement under the APP fraud reimbursement scheme. Ultimately, Barclays could only try to recover funds from Mr V's own account and it appears much of the money had already been moved on. If not, anything that was left would still have been available to him to access.

In the circumstances, I don't think anything that Barclays could have done differently would likely have led to these payments being successfully recovered.

#### *In conclusion*

I recognise Mr V has been the victim of a cruel scam and I'm sorry he lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think any further intervention by Barclays would have made a difference to the eventual outcome and I won't be telling it to make any refund.

#### **My final decision**

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 V to accept or reject my decision before 4 December 2025.

James Biles  
**Ombudsman**