

The complaint

Mr B complains that Barclays Bank UK PLC (“Barclays”) hasn’t protected him from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, Mr B has explained that in 2017 through to 2019 he made numerous payments from his Barclays account totalling almost £1.5 million for what he thought was a legitimate cryptocurrency investment. He subsequently came to believe he’d been scammed and got in touch with Barclays about this in 2024. Barclays didn’t reimburse Mr B his losses, and Mr B referred his complaint about Barclays to us.

I issued a decision recently explaining why we can only look into part of Mr B’s complaint – I explained why we’re not able to look into Mr B’s complaint about Barclays’ failure to prevent Mr B’s 2017 payments (which total £1.2 million), but we can look into the rest of Mr B’s complaint and the 2018 and 2019 payments which total £280,000.

An Investigator here didn’t recommend that this part of Mr B’s complaint – that we can consider – should be upheld. Mr B remained unhappy so the matter was passed to me for a decision. I recently emailed Mr B’s representative to explain why I was intending to decide that intervention in the payments from Barclays was unlikely to have changed what happened – and therefore why I was not intending to uphold the complaint like our Investigator. Mr B’s representative has explained why Mr B remains unhappy. I’m now ready to explain my 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’m very aware that I’ve summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I’ve focused on what I think is the heart of the matter. If there’s something I’ve not mentioned, it isn’t because I’ve ignored it – I haven’t. I’m satisfied I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

I’ve decided to not uphold this complaint for materially the same reasons as already explained. I’ve explained my reasons below with some further comment where I have deemed this appropriate to address Mr B’s representative’s recent email to me.

I understand Mr B will be really disappointed, and I’m really sorry he’s lost so much money. I can assure Mr B I haven’t taken this decision lightly. Despite my natural sympathy, however, ultimately Mr B has suffered his losses here because of fraudsters, and this doesn’t automatically entitle him to a refund from Barclays. I need to remain impartial. It would only be fair for me to tell Barclays to reimburse Mr B his losses (or some of them) if I thought

Barclays reasonably ought to have prevented the payments (or some of them) in the first place, or Barclays unreasonably hindered recovery of the funds after the payments had been made; and if I was satisfied, overall, this was a fair and reasonable outcome.

I'm satisfied Mr B authorised the relevant payments. Barclays would generally be expected to process payments a customer authorises it to make. And under The Payment Services Regulations and the terms and conditions of the account, Mr B is presumed liable for the loss in the first instance, in circumstances where he authorised the payments. That said, as a matter of good industry practice Barclays should have taken proactive steps to identify and help prevent transactions – particularly sufficiently unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there are many payments made by customers each day and it's not realistic or reasonable to expect Barclays to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments (allowing customers ready access to their funds).

In this case, however, even if Barclays had intervened in the payments before it followed Mr B's instructions, I don't think this likely would have made a difference. This is because there is nothing I've seen that makes me think Barclays would have known that Mr B was being scammed. It wouldn't have been Barclays' role to give Mr B investment advice. But it could have warned him to be extremely cautious given the risk of fraud and scams in the cryptocurrency space. But unfortunately for Mr B, it appears that the scammers had been extremely persuasive and convincing. Mr B would already have understood that the proposed cryptocurrency in which he thought he was investing would be new and dynamic. And I note that Mr B has described how he met with the scammers in 2017 where he was convinced by things; that he didn't find it alarming how they were operating from different companies at the time as cryptocurrency was new and sophisticated; and also that before he made the payments in 2018 he had conversations over dinner with who he thought was the new owner of the venture who convinced him further payments were needed to help float the coin on the market. I understand that even after the investment appeared to fail, Mr B was initially under the impression for quite some time that it was just a failed investment.

Mr B's representative argues that Barclays ought to have been able to uncover information that would clearly have signalled a scam – for example, that Mr B thought he was investing in a certain cryptocurrency which wasn't being purchased through a recognised, regulated crypto exchange, but through a series of different companies. I've thought carefully about everything Mr B's representative has said about this, including its points about why it thinks Barclays reasonably ought to have been able to interrupt the narrative created by the scammers. And that is a possibility. But I need to decide this case on the balance of probabilities – in other words based on what I think most likely would have happened. I've already explained how Mr B already understood how the 'opportunity' was new and dynamic, and therefore he wouldn't have expected the 'investment' to work like normal. Mr B likely found it plausible and extremely convincing given the meetings that took place. It wasn't Barclays' role to provide investment advice, but only to provide fraud and scams warnings. Ultimately, as I've explained, I don't think Barclays would have known Mr B was definitely being scammed. And I think even if it had given robust warnings, it's most likely that Mr B would simply have been convinced by the scammers, as he actually was, that everything was legitimate and it was simply a new and sophisticated investment opportunity with investment risk that he was prepared to take. I'm therefore not persuaded that I can say there would have been anything I'd reasonably expect Barclays to have done that most likely would have changed Mr B's mind from proceeding as he did and already had. I'm therefore not persuaded I can fairly say Barclays unreasonably failed to prevent the payments.

I've considered whether Barclays ought to have been able to recover Mr B's payments when he reported that he'd been scammed. However, so much time had passed between the date

of the payments and the time Mr B reported to Barclays that he'd been scammed, that I couldn't reasonably conclude here that there was ever going to be a realistic prospect of recovering these payments. So I can't fairly say it's Barclays' fault Mr B hasn't been able to recover his funds.

I've carefully considered everything Mr B and his representative have said and I'm really sorry Mr B was scammed and lost so much money. But despite my natural sympathy, I must remain impartial. I don't think I can say this was Barclays' fault – I can't fairly tell Barclays to reimburse him in circumstances where I'm not persuaded it reasonably ought to have prevented the payments or to have recovered them.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 January 2026.

Neil Bridge
Ombudsman