

The complaint

Ms S complains that Barclays Bank UK PLC didn't do enough to protect her when she fell victim to a scam.

Ms S is represented in this matter, but for ease of reading I will refer to Ms S throughout this decision.

What happened

The background to this complaint is well known to all parties, so I will not repeat it in detail here.

In summary, Ms S was introduced to someone by a family member, the individual claimed to be a professional trader and offered to help Ms S make money by trading in stocks and shares by using 'insider' information. Ms S was instructed to buy cryptocurrency and then to transfer it on to the scammers. I understand that Ms S was given access to a professional looking app that showed her 'investments' were performing very well. Ms S realised she had been scammed when she was told she needed to pay a number of fees before she could withdraw her profits.

Ms S made one payment of £6,500 on 26 June 2024 in connection with this scam from her Barclays account.

Barclays spoke to Ms S before it processed her card payment for £6,500 on 26 June 2024 to a peer to peer (P2P) cryptocurrency exchange. Ms S told Barclays that she was not being guided or influenced by anyone to make the payment. She also told Barclays that she had been scammed in the past so knew what checks to make to protect herself. Based on the information Ms S provided Barclays processed the payment. Ms S then tried to make further payments that day to a bank associated with cryptocurrency. Barclays spoke to Ms S about these payments and, having done so did not process the payments. It told Ms S it thought she was falling victim to a scam.

Our investigator didn't uphold the complaint. They said they felt the interventions by Barclays were sufficiently robust and it was unfortunate that Ms S had not heeded the warnings Barclays provided.

Ms S did not accept the investigator's view. She said, in summary that she didn't feel Barclays' interventions were adequate. Had its interventions been more thorough Ms S said it may have uncovered the scam and prevented her losses.

As our investigator couldn't resolve the matter informally the case has been passed to me for 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.

Having done so I have reached the same view as our investigator, and for much the same reasons. I'll explain why.

I'm 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 here. If there's something I've not mentioned, it isn't because I've ignored it. 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. This simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Ms S has been the victim of a scam here – she has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean she is automatically entitled to recompense by Barclays. It would only be fair for me to tell Barclays to reimburse Ms S for her loss (or a proportion of it) if: I thought Barclays reasonably ought to have prevented the payment Ms S made, or Barclays hindered the recovery of the payment Ms S made – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I have kept in mind that Ms S made the payment herself and the starting position is that Barclays should follow its customer's instructions. So, under the Payment Services Regulations 2017 she is presumed liable for the loss in the first instance. I appreciate that Ms S did not intend for her money to ultimately go to a scammer – but she did authorise the payment to take place.

However, there are some situations when a bank should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made. Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time – Barclays should fairly and reasonably:

- Have been monitoring accounts 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 (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- In some circumstances, take additional steps, or make additional checks, before processing a payment, or in some cases decline it altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

So, I've thought about whether the transaction should have highlighted to Barclays that Ms S might be at a heightened risk of financial harm due to fraud or a scam.

At the time Ms S made the transfer she had held an account with Barclays for some time, so it had an account history to help it establish whether the payment Ms S was making was in-line with her usual account usage.

I think Barclays acted correctly when it contacted Ms S about the £6,500 payment she wanted to make. I have listened to the call Barclays had with Ms S and the subsequent calls

it had with her about the payments of £2,500 she also wanted to make (as noted above Barclays did not process these payments as it was of the view that Ms S was being scammed.)

In the call about the £6,500 payment on 26 June 2024, Ms S did not answer the questions Barclays asked her truthfully; she said she was not being guided by anyone to make the investment and there was no one else involved in the decisions she was making. She said she had only discussed investing with her friends and family. Ms S also talked knowledgeably about scams and said she was alert to being scammed as she had fallen victim to a scam in the past.

However, in the WhatsApp chat Ms S had with the scammers, that has been provided to this service, it shows Ms S was being advised by someone. It says:

24/06/2024, 15:35: See how much money you can add and let me know and I'll work one-on-one with you to create an investment plan on how to maximise your profits

I am also mindful that the chat shows the scammers were guiding Ms S on buying the cryptocurrency. It says;

26/06/2024, 09:16 - : Good morning, [Ms S]. Are you ready?

26/06/2024, 10:40 – [Ms S]: I'm trying to buy eth now

26/06/2024, 10:43 – [scammer]: Okay, when you encounter any problem you don't know while buying you can screenshot it to me and I'll give you the right guidance

26/06/2024, 10:57 – [Ms S]: Is it better to buy all 10k at once or split it

26/06/2024, 10:58 – [Ms S]: I normally use binance but it seems I have limited verified sellers to use for eth. I am trying to use crypto.com now

26/06/2024, 10:59 – [scammer]: You can use Crypto.com which will be better, Binance will have very serious limitations

In view of this I can't reasonably find that Ms S answered Barclays questions truthfully when it asked her whether she was *'...receiving any help to make this investment.'* It is very unfortunate that Ms S was not truthful when she spoke to Barclays in the call, but I cannot reasonably find that Barclays acted incorrectly when it processed the payment based on the answers Ms S had provided.

When Ms S tried to make further payments later that day to a bank associated with cryptocurrency, Barclays did not process the payments. It spoke to Ms S at length about the payments and, having done so it said it felt she was falling victim to a scam. In her response to our investigator's view Ms S said she felt this call did more harm than good as it led her to believe that if she could make withdrawals from the investment, it was likely to be legitimate. As a family member was able to make withdrawals, Ms S told this service that this gave her confidence the investment was legitimate.

I have carefully considered the points Ms S has made and I have listened to the conversation Ms S had with Barclays. I don't think any reasonable person could interpret what Barclays discussed in this conversation as endorsing the investment or saying that it was likely to be legitimate if a small withdrawal was permitted. Barclays very clearly stated in the call *'this is a scam'*.

I note that during this call Barclays also discussed the £6,500 payment Ms S had already made. Ms S told Barclays this money, *'...is still sitting on my Binance, so I can always transfer that. I haven't done anything with that. It's there. I've obviously converted into USDT, but I can withdraw it out.'*

But, on 28 June 2024 Ms S then had the following WhatsApp chat with the scammers:

28/06/2024, 08:36 – [scammer]: Aren't you going to trade today?

28/06/2024, 09:47 – [Ms S]: Good morning

28/06/2024, 09:47 – [Ms S]: Sorry for the late response, I was working till 12am

28/06/2024, 09:49 – [Ms S]: Yes, I'm just depositing what I managed to transfer from binance. I'll let you know, once it has gone through into my stock account

I think Ms S ought reasonably to have recognised that it was highly likely, based on the information Barclays had provided, that she was being scammed. That she still chose to send this money on to the scammers highlights the level of influence the scammer clearly held over her. I do not say this to be critical of Ms S, I am simply highlighting that due to this I am not persuaded Barclays could have broken such a level of influence despite the interventions it made. Therefore, I do not think Barclays could have prevented her losses.

(I note that Ms S subsequently chose to move money from her Barclays account to another account and from there used it to buy cryptocurrency and transfer it on to the scammers. I understand that payments Ms S made to the scammers from her account with another provider have been considered by this service as a separate complaint and I have not considered them as part of this complaint.)

I don't intend any comments or findings I've made in this decision to downplay or diminish the impact this scam has had on Ms S. I have a great deal of sympathy for Ms S being the victim of what was clearly a cruel scam that has had a significant impact on her. But I can only compel Barclays to refund Ms S if it is responsible for the loss incurred. For the reasons explained, having carefully considered the circumstances of this complaint, I can see no basis on which I can fairly say that Barclays should be held liable for the loss Ms S has sadly suffered.

Recovery

As the payment was made by card to a cryptocurrency exchange, there was no chargeback reason which would've been appropriate here. A chargeback would've been a claim against the cryptocurrency exchange rather than the scammer. As the exchange provided the service it was supposed to there was no realistic prospect of success for a chargeback, and chargebacks are voluntary. So Barclays didn't need to try one here.

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 Ms S to accept or reject my decision before 2 February 2026.

Suzannah Stuart
Ombudsman