

## **The complaint**

Mr H complains that Barclays Bank UK PLC did not reimburse the funds he lost to a scam.

### **What happened**

Mr H met an individual I will refer to as 'T'. T explained that he had an investment opportunity in a company he was building. The company was focusing on recycling solutions with an emphasis on being eco-friendly. T said that there were a number of international investors already and he added Mr H to a group chat with other potential investors. After reviewing some documentation about the company, Mr H decided to invest. On the instruction of T, he sent £60,000 in three tranches of £20,000 between 9 and 12 October 2020. This was sent to a third-party capital investment firm I'll refer to as 'L', on the understanding the firm would then allocate the funds appropriately and shares would be issued to Mr H.

Despite a significant amount of chasing, neither Mr H nor any of the other investors in the group chat received the shares as promised. And the umbrella of companies that T had built did not appear to become profitable, which he provided a number of reasons for. Mr H felt he had been the victim of a scam and eventually raised a scam claim with Barclays via a representative in November 2024. Barclays explained they needed some more evidence about the investment and what had happened, but they did not receive this.

The complaint was referred to our service and our Investigator looked into it. They issued a view explaining there was nothing to show what happened to the £60,000 after it credited L's account. As Mr H had no documentation showing the agreement he had with either T or L, they did not feel there was sufficient evidence to show the funds had been invested in T's company. They felt L was a genuine and established company, and with nothing to show where the funds went after they credited K's account, they did not think there was sufficient evidence Mr H had been the victim of a scam.

Mr H's representatives responded and did not agree with the findings. In summary, they said that the payments were effectively unauthorised because Mr H was fraudulently induced into making them. They also felt Barclays should have triggered additional checks in branch as the payments were unusual. And they felt the lack of documentation was a hallmark of a scam.

As an informal agreement could not be reached, the complaint 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.

Mr H's representatives say that the payments were effectively unauthorised, due to the nature of the scam. When considering if a payment is authorised or unauthorised, I have to consider if Mr H has completed the necessary steps to consent and ultimately authorise a transfer of money. Even if the funds ultimately go to a different individual to who he was expecting or were used for a different purpose than he anticipated, if Mr H was the individual who consented to the payments he has authorised them. In this case, Mr H completed the

transfer in branch and requested that they be made to L, so under the relevant rules, I would consider the payments to be authorised.

Mr H has said he has been the victim of a scam, as he paid into an investment that he now feels was fraudulent from the outset. The evidence I have been provided is the transcripts from a group chat between investors and T, as well as some brochures for the company and some evidence provided by the bank that held the beneficiary account the payments went to.

While I do appreciate the payment reference for the £60,000 that went to L mentioned the name of the company Mr H intended to invest in, there is nothing else to indicate what the agreement was between any of the parties involved. For example, any statements for the account Mr H held with L, any direct communication about the payments between Mr H and T or anything to show there was a relationship between T and L.

Having looked into L in more detail, they appear to be a well-established private capital investment firm. It should be noted that our service has received evidence from the bank that provides L's business account. While I cannot go into detail about what they have shared with our service due to data protection issues, I can confirm that there is no indication they are involved in any fraudulent activity, and the evidence supports that they are a well-established, genuine firm.

It should be noted that as the payments went to what appears to be a genuine firm, and there is no evidence showing what happened to those funds after they credited L's account, these payments are therefore not covered under the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code which offers additional protection to victims of authorised push payment scams.

Even if I were to agree that there was enough to show Mr H's funds were forwarded on to T's company, I think it is unlikely any intervention from Barclays at the time would reasonably have prevented him from continuing with the payments. It is arguable that the value and frequency of the payments could be considered unusual when compared to Mr H's genuine account activity and that Barclays should reasonably have carried out additional checks before processing them.

I can see that Mr H initially attempted to make the payments over the phone but he was asked to visit a branch to carry them out. I don't know what was discussed in branch as the payments were made over five years ago now. But I would have expected Barclays to ask for some more information about what the payments were for and who they were going to. In this case, Mr H was making an investment with an individual he had personally met on multiple occasions and trusted at the time, and there was no indication at that time that T's company was not legitimate. And the payments were being sent directly to a well established and legitimate business account of a capital investment firm, so I don't think Barclays would reasonably have had concerns about the payments. I therefore don't think Mr H would have changed his mind about making the payments.

I understand that this will be very disappointing for Mr H, and I recognise that he has been through a difficult time as a result of T's actions. But I do not consider that it would be fair to hold Barclays responsible for his loss, so I won't be asking it to refund any of that loss to him.

### **My final decision**

I do not uphold Mr H's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 6 February 2026.

Rebecca Norris

**Ombudsman**