

## **The complaint**

Mr A complains that Barclays Bank UK PLC won't reimburse him with money he lost to a scam.

Mr A has brought his complaint to us through a professional representative. For ease, I'll refer to their submissions as being from Mr A.

## **What happened**

In July 2025 Mr A says he was contacted through a popular instant messaging platform about an investment opportunity with a company I'll refer to as 'N', which he was told was a business school. Mr A wanted to earn extra income by investing and enquired further. He was also added to a group chat where a 'financial analyst' was giving customers investment advice.

Mr A says he was then contacted by an employee of N who I'll call Ms O. She helped him sign up with N and he was impressed by her professionalism and knowledge about trading. She gave him a link to a trading account with N, which appeared professional and realistic. Sadly it later turned out that Ms O, the financial analyst and N were all part of a scam.

Mr A decided to make an initial investment into the platform with N using an account with a cryptocurrency platform I'll refer to as C, with which he had an account in his name. Using Open Banking he transferred money to his account with C from his current account with Barclays.

Mr A says he was able to see his investment was generating profits and he was also able to withdraw from the platform. Based on the above, Mr A was satisfied that N was a legitimate company. He went on to make further payments to N, having seen from the trading platform that he was making profits which increased with the larger investments. In the period from July 2025 to September 2025 he transferred in the region of £28,500 to the scammers.

It was only when Mr A was unable to withdraw his profits that he realised he'd fallen victim to a scam. He complained to Barclays that it had not protected him from being scammed and asked it to refund the money he'd lost to the scam.

Barclays said Mr A had previous experience with C and similar companies and didn't accept it should be responsible for his losses.

Mr A asked this Service to look into his complaint. Our Investigator asked Mr A for the full history of his conversations with the scammers, as he'd provided only limited conversations for the period 6 to 16 September 2025. Mr A said those conversations had been deleted. Our Investigator also asked Barclays for information as it said it had intervened when Mr A began making payments to C in July 2025.

Our Investigator didn't uphold the complaint. She said that Barclays had intervened on 7 July 2025 when Mr A had attempted to make three payments to C of £3,500 respectively in quick succession. Barclays had declined the transactions and contacted Mr A. Barclays then

asked him questions about the reason for the transactions but our Investigator didn't think Mr A had been entirely open and honest about the circumstances of the investment. The cryptocurrency scam warnings Barclays had given to him had not resonated with him even though they covered some of the key features of the scam to which he'd fallen victim.

Mr A didn't agree and asked for an Ombudsman's decision. In summary, he said:

- Our Investigator didn't properly analyse whether Barclays' intervention would have prevented subsequent loss.
- Our Investigator's 'causation assessment' is under reasoned and inconsistent with the record and comparable reasoning in other decisions made by this Service. She said Mr A wasn't fully candid when he spoke to Barclays on 8 July 2025. But she didn't address the critical question which is whether appropriately tailored, earlier human intervention triggered by the first £3,500 attempted payment on 7 July 2025 focusing on crypto investment scams would have elicited different disclosures or prompted pause in the payment (by Mr A).
- Based on previous decisions and facts, proper questions and risk warnings are likely to prevent further payments, even when consumers are initially confident. Our Investigator had not provided any evidence to suggest Mr A had been coached by the scammers to provide false answers to defeat probing, tailored questions. With no evidence of coaching, comparable decisions attach significant weight to the likelihood that targeted questions about the scam would bring the scam to light and change the consumer's behaviour.
- Where this Service has accepted the futility of the bank's questions and warnings changing the consumer's decision, this is generally where the consumer has provided inaccurate information in multiple interventions across time or where another institution's tailored warnings have been ignored – which is not evidenced here. A fair outcome should accept the trigger arose on 7 July 2025 and assess loss prevention from that date forward.
- Barclays' reliance on payments to Mr A's own cryptocurrency account being lower risk, echoed in parts of the Investigator's view, doesn't displace the duty to make proportionate checks where high-risk factors are present.
- He accepts that recovery from the cryptocurrency account is rarely achievable but the loss could have been prevented at an earlier point by properly triggered checks and warnings.

Our Investigator explained why Mr A's comments did not change her view of the complaint. So it's now been referred to me for a 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 read and carefully considered the points that Mr A has made about other decisions made by this Service. But I am not bound by my ombudsman colleagues' decisions. I decide each case based on its own individual facts and merits, which is what I have done in this complaint.

In broad terms, the starting position at law is that a bank is 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.

It isn't in dispute that Mr A authorised the transfers in question. He is therefore presumed

liable for the loss in the first instance. However, Barclays is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

The first attempted payment Mr A made as a result of the scam was for £3,500. The transfer (by Open Banking) was to the cryptocurrency provider C. The payment was declined by Barclays and it also declined two further payments of £3,500 the same day (7 July 2025). Given the amount of the payment (and two subsequent attempted payments) and the destination of the funds I think Barclays reasonably assessed that Mr A was at a heightened risk of financial loss by fraud.

Having declined the payments, Barclays attempted to contact Mr A by telephone. Although he called back the same day the call was cut off and he spoke to Barclays on 8 July 2025.

Our Investigator has set out the full details of Mr A's conversation with Barclays in her view. I consider Barclays' response was proportionate to the risk the payment of £3,500 (and the subsequent two attempted payments for £3,500 respectively) presented. It declined the payments and made contact with Mr A. So while I've considered his comments about the timing of the intervention, Mr A didn't suffer a loss because Barclays declined the payments before speaking with him the next day. It was only after the warnings that Barclays gave him that he was able to make successful payments to the scammers.

Barclays explained to Mr A that his three attempted payments of £3,500 had been declined because they flagged in its fraud monitoring system. Barclays explained it was asking questions about the payments to ensure he wasn't falling victim to a scam, and that if he'd been told what to say or to lie to the bank, this would indicate it was a scam.

Barclays then asked Mr A some questions to establish the risk the three payments of £3,500 presented. In doing so it asked him questions including: the name and type of account he was sending money to; why he was transferring the money; how long the account with C had been open; whether he'd been able successfully to take money out of the account with C before; that only he had access to the account; whether anyone was involved in opening the account or the transfer; whether he'd clicked on any links or downloaded software; whether he was getting advice from anyone such a broker for crypto, investments or finance; whether he was part of any named instant messaging groups with regards to investments; and whether he was aware of what Open Banking was.

I consider Barclays gave some context to the questions it was asking Mr A, explaining that this was because his payments had triggered in its system as attempted fraud and by explaining the way in which cryptocurrency scams worked in practice. It gave the warnings despite Mr A confirming that he was sending money to a cryptocurrency account in his own name.

Barclays also gave Mr A some warnings which I consider covered the key features of cryptocurrency scams. This included where the consumer receives an offer to join a named instant messaging or social media group about investments or crypto; being offered advice on crypto (including by brokers); and not transferring funds to any third party after making payments to the crypto wallet.

Barclays went on to read a warning which explained: that cryptocurrency is unregulated; that a cryptocurrency scam involves moving money from the consumer's bank account to their own crypto account and then on to a third party wallet – and this is a major red flag as the consumer will lose control of their money; that scammers will make contact via social media about making money quickly and will offer unrealistic returns on investments, and over time

the consumer will find they can't withdraw their funds from their crypto wallet; that the consumer might be asked to make further payments to access their money; and finally that Mr A should only invest if he was comfortable in losing his money as that's always possible with cryptocurrency investments.

So, I consider Barclays asked questions reasonably designed to narrow down the fraud risk, gave context so its questions and gave Mr A an effective warning setting out key features of common cryptocurrency scams.

From what Mr A himself has told us about the scam, I don't consider the answers he gave Barclays were entirely open or honest. He said that no one else had been involved in the opening of the account with C and the transfer and that he'd not been getting advice from anyone. He also said he was not part of any instant messaging groups for investments. But this wasn't correct. He has told us that he'd been added to an instant messaging group where investments were being discussed, and where an investment analyst was giving investment advice to the members of the group. He was being guided by Ms O (who he understood was a representative of N) in setting up the investment, making the investments and using the trading platform. And the scammers had given him details for a wallet to which he would transfer his cryptocurrency to make the investment.

So Mr A had not been entirely open and honest with Barclays in response to its questions which it told him were designed to detect whether he was falling victim to a crypto investment scam. The warnings it gave him unfortunately did not resonate with him because he went on to send money to the scammers. Given Mr A didn't answer some of Barclays' questions correctly, despite it explaining why it was concerned about the risk of cryptocurrency scams I don't consider it's likely, on the balance of probabilities, that Barclays could reasonably have uncovered the scam.

I've considered Mr A's comments that there's no evidence he lied multiple times to Barclays and/or other financial institutions or that he was coached to provide incorrect answers by the scammers.

Mr A has not provided any evidence of his conversations with the scammers until September 2025 when he began to realise that he was falling victim to a scam.

But I don't consider I need any additional evidence to make the finding that Barclays couldn't reasonably have uncovered the scam. I say this because the facts in this case show that Mr A didn't give entirely correct or honest answers to Barclays in response to its questions and scam warnings. So I don't think it is responsible for his loss in circumstances where he misled Barclays and the scam warning didn't resonate with him. Indeed despite Barclays' warnings Mr A has told us that he believed he was making money from his investments and that it was a genuine opportunity.

I also don't think any of the other payments sent as a result of this scam should have triggered a fraud intervention by Barclays. This is because C was an established payee on the account by this point, and neither the amounts nor the frequency of the payments were significantly out of character based on prior activity. There were gaps between the transfers to C too, which would have reassured Barclays that the account was under Mr A's control. Although payments increased in size, that was gradual – and the timings weren't strongly indicative of him being under pressure from a scammer. So, overall, I think Barclays acted fairly in terms of any fraud prevention expectations.

Mr A accepts that Barclays could not recover money from his cryptocurrency wallet, as the funds were sent to the scammers. But for completeness I agree with our Investigator that Barclays could not reasonably have recovered any of the money he lost to the scam.

I've been sorry to read that Mr A was the victim of a cruel scam and I don't underestimate the impact of this on him personally and financially. But despite my natural sympathy for his position, I don't consider I can fairly require Barclays to refund the money he lost to the scam. So I don't uphold his complaint.

### **My final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 16 February 2026.

Amanda Maycock  
**Ombudsman**