

## The complaint

Mr A complains that Barclays Bank UK PLC won't refund the money he lost when he was the victim of a scam.

## What happened

In February 2022, Mr A came across an advert on a social media website for a cryptocurrency investment company being recommended by a well-known public figure. He followed a link in the advert and was taken to the investment company's website, where he filled out his details on an enquiry form.

Mr A was then contacted by someone who said they worked for the investment company, and who talked him through opening a trading account with the company as well as how to purchase cryptocurrency and send it to his trading account. Mr A was also given access to the company's trading platform, where he could see trades being made and the profit it said he was making. And over the following weeks Mr A made a number of payments from his Barclays accounts, using the money to purchase cryptocurrency which he then sent on to wallet details he was given for the investment company.

The first payment Mr A made from his savings account was sent directly to a cryptocurrency exchange. The later payments from his current account were funded by a series of loans he took out from other banks, and were first sent to a new account he opened with another bank during the investment, before being sent on to a cryptocurrency exchange from there. I've set out the payments Mr A made from his Barclays accounts below:

Date	Time	Details	Amount
11 May 2023	08:34	From savings account	£20
26 May 2023	16:22	From current account	£250
26 May 2023	19:48	From current account	£4,750
26 May 2023	20:07	From current account	£5,000
27 May 2023	09:30	From current account	£5,000
28 May 2023	09:46	From current account	£5,000
28 May 2023	21:57	From current account	£5,000
1 June 2023	16:27	From current account	£5,000
1 June 2023	17:14	From current account	£5,000
2 June 2023	06:58	From current account	£8,000
3 June 2023	06:14	From current account	£7,000
8 June 2023	19:18	From current account	£9,000
9 June 2023	19:21	From current account	£8,000
10 June 2023	22:20	From current account	£8,000
21 June 2023	16:58	From current account	£10,000
22 June 2023	12:05	From current account	£10,000
23 June 2023	09:10	From current account	£10,000
24 June 2023	11:51	From current account	£10,000

Mr A was also able to make several withdrawals back from his investment into his savings account, which I've set out below:

Date	Details	Amount
11 May 2023	To savings account	£171.35
30 May 2023	To savings account	£72
30 May 2023	To savings account	£151.97
7 June 2023	To savings account	£1,621.25

Unfortunately, we now know the cryptocurrency investment company was a scam. The scam was uncovered after a withdrawal Mr A had tried to make didn't arrive in his account when he was told it would. Mr A was then told he had to pay additional fees before he could make a withdrawal, and he realised he had been the victim of a scam. He then reported the scam to both Barclays and the other bank he had made payments from, and asked them to refund the money he had lost, which totalled £112,983.43.

Barclays investigated but said Mr A had suffered the loss from the account he held with the other bank he had sent the money to. It didn't think it had made any errors in allowing the payments to be made to another account in his name, and so didn't agree to refund the money Mr A had lost. The other bank also didn't agree to refund the money he had lost. So Mr A referred complaints about both Barclays and the other bank to our service.

I sent Mr A and Barclays a provisional decision on 22 January 2026, setting out why I was intending to uphold the complaint in part. That provisional decision forms part of this final decision, and is set out below:

*"Does Mr A have a valid complaint?"*

*The rules about the ombudsman service's jurisdiction to consider a complaint are set out in the Dispute Resolution section of the Financial Conduct Authority (FCA)'s Handbook (DISP).*

*I have carefully considered Barclays' argument that this complaint does not meet the definition of a complaint as the scam or loss occurred from Mr A's account with the other bank, but I disagree with their thoughts on the matter.*

*I'm satisfied this is a complaint which falls within our jurisdiction. This means that I have the power to consider the merits of the complaint. I'll explain why.*

*The definition of a complaint under DISP is as follows:*

*"any... expression of dissatisfaction, whether justified or not... about the provision or failure to provide, a financial service... which:*

*(a) alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and*

*(b) relates to an activity of that respondent"*

*The definition of a complaint requires the allegation of a loss which relates to the activity of Barclays. DISP makes clear that there can be a complaint, regardless of whether the expression of dissatisfaction was 'justified or not'. And in this case, Mr A alleges that Barclays' acts or omissions were a cause of his loss.*

*Should Barclays have been on the look-out for the possibility of APP fraud?*

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*In deciding what's fair and reasonable, as set out at DISP 3.6.4R, I'm required to take into account relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider having been good industry practice at the time.*

*Barclays says that, if Mr A brought this complaint in the courts, it would not be liable for the losses suffered. However, as outlined above, our service takes into account other relevant considerations in addition to relevant law. I've explained later what this means for my decision on this complaint.*

*The starting point under the relevant regulations (in this case, the Payment Services Regulations 2017) and the terms of Mr A's account is that customers are responsible for payments they authorised. And, as the Supreme Court has recently reiterated in the case of Philipp v Barclays Bank UK PLC, banks generally have a contractual duty to make payments in compliance with their customer's instructions.*

*In that case, the Supreme Court considered the nature and extent of the contractual duties owed by banks when making payments. Among other things, it said, in summary:*

- The starting position is that it is an implied term of any current account contract that, where a customer has authorised and instructed a bank to make a payment, the bank must carry out the instruction promptly. It is not for the bank to concern itself with the wisdom or risk of its customer's payment decisions.*
- The express terms of the current account contract may modify or alter that position. For example, in Philipp, the contract permitted Barclays not to follow its customer's instructions where it reasonably believed the payment instruction was the result of APP fraud; but the court said having the right to decline to carry out an instruction was not the same as being under a duty to do so.*

*In this complaint, the terms of Barclays' contract with Mr A modified the starting position described in Philipp by expressly stating that Barclays was permitted to not follow a payment instruction in certain circumstances. In respect of this, the terms and conditions said:*

*"When we don't have to follow your instructions*

*We'll do all we can to carry out your instructions. However, we don't have to follow an instruction for any of these reasons. ...*

- We reasonably believe it might expose us (or another Barclays company) to legal action or censure from any government, regulator or law enforcement agency.*
- We reasonably think that a payment into or out of an account is connected to a fraud, scam or any other criminal activity. This includes where we reasonably think the funds are being obtained through deception. ...*

*While we are checking that none of the reasons above apply, there may be a delay in getting the payment to its destination. This might happen even if everything turns out to be fine...*

*Unless the law prevents us, we'll try to contact you as quickly as possible to tell you we haven't followed an instruction and to explain why. You can also ask us why we haven't followed your instruction. We'll tell you what you can do to correct any errors in the instruction, or to satisfy us that the instruction came from you."*

*So the starting position at law was that:*

- *Barclays was under an implied duty at law to make payments promptly.*
- *It had a contractual right not to make payments where it suspected fraud.*
- *It had a contractual right to delay payments to make enquiries where it suspected fraud.*
- *It could therefore refuse payments, or make enquiries, where it suspected fraud, but it was not under a contractual duty to do either of those things.*

*Whilst the current account terms did not oblige Barclays to make fraud checks, I do not consider any of these things (including the implied basic legal duty to make payments promptly) precluded Barclays from making fraud checks before making a payment.*

*As explained above, in addition to relevant law, I also take into account regulators' rules, guidance and standards, codes of practice, and what I consider to have been good industry practice at the relevant time.*

*Taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, I am satisfied that Barclays should have been on the look-out for the possibility of APP fraud and have taken additional steps or made additional checks, before processing payments in some circumstances – as in practice all banks, including Barclays, do.*

*This is because of the following:*

- *FCA regulated banks are required to conduct their “business with due skill, care and diligence” (FCA Principle for Businesses 2) and to “pay due regard to the interests of its customers” (Principle 6).*
- *Banks have a longstanding regulatory duty “to take reasonable care to establish and maintain effective systems and controls for compliance with applicable requirements and standards under the regulatory system and for countering the risk that the firm might be used to further financial crime” (SYSC 3.2.6R of the Financial Conduct Authority Handbook, which has applied since 2001).*
- *Over the years, the FSA, and its successor the FCA, have published a series of publications setting out non-exhaustive examples of good and poor practice found when reviewing measures taken by banks to counter financial crime, including various iterations of the “Financial crime: a guide for firms”.<sup>1</sup>*
- *Regulated banks are required to comply with legal and regulatory anti-money laundering and countering the financing of terrorism requirements. Those requirements include maintaining proportionate and risk-sensitive policies and procedures to identify, assess and manage money laundering risk – for example through customer due-diligence measures and the ongoing monitoring of the*

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<sup>1</sup> For example, both the FSA’s Financial Crime Guide at 4.2.5G and the FCA’s 2015 “Financial crime: a guide for firms” gave examples of good practice in relation to investment fraud saying:

*“A bank regularly assesses the risk to itself and its customers of losses from fraud, including investment fraud, in accordance with their established risk management framework. The risk assessment does not only cover situations where the bank could cover losses, but also where customers could lose and not be reimbursed by the bank. Resource allocation and mitigation measures are informed by this assessment.*

*A bank contacts customers if it suspects a payment is being made to an investment fraudster. A bank has transaction monitoring rules designed to detect specific types of investment fraud. Investment fraud subject matter experts help set these rules.”*

*business relationship (including through the scrutiny of transactions undertaken throughout the course of the relationship).*

- The October 2017, BSI Code, which a number of banks and trade associations were involved in the development of, recommended firms look to identify and help prevent transactions – particularly unusual or out of character transactions – that could involve fraud or be the result of a scam. Not all firms signed the BSI Code, but in my view the standards and expectations it referred to represented a fair articulation of what was, in my opinion, already good industry practice in October 2017 particularly around fraud prevention, and it remains a starting point for what I consider to be the minimum standards of good industry practice now.*
- Barclays is also a signatory of the CRM code. This sets out both standards for firms and situations where signatory firms will reimburse consumers. The CRM code does not cover all authorised push payments (APP) in every set of circumstances (and it does not apply to the circumstances of these payments), but I consider the standards for firms around the identification of transactions presenting additional scam risks and the provision of effective warnings to consumers when that is the case, represent a fair articulation of what I consider to be good industry practice generally for payment service providers carrying out any APP transactions.*

*Overall, taking into account the law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider Barclays should:*

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – as in practice all banks do.*
- Have been mindful of – among other things – common scam scenarios, the evolving fraud landscape (including for example the use of multi-stage fraud by scammers and the use of payments to cryptocurrency accounts as a step to defraud customers) and the different risks these can present to consumers, when deciding whether to intervene.*

*Should Barclays have recognised Mr A was at risk of financial harm from fraud?*

*As I have explained above, I think Barclays ought to have been on the look out for unusual and out of character transactions on Mr A's account, such that it could identify payments which may be at risk of fraud or financial harm. I am mindful that Barclays did not have the same detailed information available to me now at the time they received Mr A's payment instructions. So, I have considered the steps Barclays ought to have taken with only the more limited information it had.*

*The first few payments Mr A made here weren't for particularly large amounts, or for amounts where I would've expected Barclays to identify them as suspicious based on their size alone. And, for the first few payments, I don't think a suspicious pattern had been formed that I would have expected Barclays to identify either. So I don't think it's*

*unreasonable that Barclays didn't identify that Mr A could be at risk of financial harm as a result of them.*

*But I'm satisfied Barclays ought to have recognised that Mr A was at heightened risk of financial harm from fraud when he tried to make the fourth payment here, of £5,000 on 26 May 2023. This payment:*

- was for a significant amount*
- was for an amount much larger than any other payment made out of Mr A's account in the months prior to the scam*
- was the third payment Mr A had tried to make on the same day, to the same payee*
- was to a new payee he'd never made a payment to before that day*
- was made less than 20 minutes after the previous payment to that payee, of £4,750*
- meant the payments to that payee had increased in size each time*
- meant the payments attempted that day totalled a significantly larger amount than the total amount of payments Mr A had made from his account in any of the previous eleven months*
- meant that the payments attempted that day totalled a significantly larger amount than the typical available balance of Mr S's account over the previous eleven months*
- was funded by a large credit into his account immediately beforehand, which was the result of a loan taken out from another bank*

*A number of these characteristics represent a clear deviation in how Mr A's account was typically run and match patterns of behaviour often seen when customers are falling victim to a scam. And, by the time Mr A made this fourth payment, enough of these characteristics were present that I think a suspicious pattern had been formed that I would have expected Barclays to identify. So, when Mr A tried to make this payment, I think Barclays should have recognised that he was at heightened risk of financial harm from fraud.*

*I'm conscious Barclays would have been aware that the payments Mr A was making here were to an account in his own name with another bank, and that this may have made the risk associated with them seem smaller. But I think Barclays should also have been mindful of the potential risk to Mr A of 'multi-stage' fraud – whereby victims are instructed to move funds through one or more legitimate accounts held in the customer's own name, before then being moved on to a fraudster. This is often done to make certain payments seem more legitimate and circumvent security measures bank have put in place. And the use of and risks to consumers of multi-stage fraud were well known to banks in May 2023. So considering all of this, I'm satisfied Barclays ought to have recognised Mr A was at an enhanced scam risk.*

*What did Barclays do to protect Mr A?*

*Barclays has said Mr A was shown a written warning when he tried to make the first payment here, for £20 on 11 May 2023. This warning said:*

*“Scams can happen to anyone and they can cause real distress. If someone is telling you which option to choose, stop – this is a scam. Don’t be pressured into making a quick decision.*

*Could this be a scam?*

*Fraudsters fake documents and websites to look like genuine organisations, and post adverts on social media and search engines.*

*Search the FCA ScamSmart tool and look out for any warnings. If the company is genuine, you’ll also be able to find their registered contact details.*

*If you’re investing in crypto-currency, be extremely cautious. Don’t continue if someone has control of your wallet, or you can’t access it.*

*Speak to a financial advisor first – if the offer sounds too good to be true, it probably is.*

*Stop. Challenge. Protect.”*

*Barclays has also said Mr A was shown another warning when he tried to make the second payment, for £250 on 26 May 2023. He was asked to select the purpose for the payment from a list of options. And after he selected “paying your other account”, he was shown a warning which said:*

*“Scams can happen to anyone and they can cause real distress. If someone is telling you which option to choose, stop – this is a scam. Don’t be pressured into making a quick decision.*

*Could this be a scam?*

*If someone tells you that you need to ‘keep your money safe’ by moving it to another account, this is definitely a scam. Don’t proceed.*

*No legitimate company or organisation will ever ask you to move money out of your account.*

*Scammers can also copy telephone numbers to appear legitimate, so always phone back on a trusted number you’ve found on an official website.*

*Stop. Challenge. Protect.”*

*But the warning he was shown when making the first payment on 11 May 2023 was generic and didn’t give much detail on how to identify whether an investment was genuine, for example by highlighting common red flags such as using a third-party broker or advisor or being told they had received unrealistic returns. And the circumstances mentioned in the warning he was shown when making the second payment on 26 May 2023 weren’t relevant to the scam he was falling victim to.*

*I also don’t think Barclays did enough to try to understand the circumstances surrounding the payments Mr A was making or the risk he was exposed to before providing the warnings, which would have allowed it to provide more relevant advice in its warnings. And it didn’t do enough to make sure Mr A was engaging with the warnings, for example by requiring him to answer questions or select further options, which would have ensured he engaged more fully with the warnings it then gave. So I don’t think these warnings were a proportionate*

*response to the risk I think Barclays should have identified here, bearing in mind what I have said above about the pattern which emerged from the payments.*

*Barclays has also said none of the other payments Mr A made here were deemed as suspicious and so he wasn't asked any further questions or shown any further warnings. So I don't think the action Barclays took was a proportionate response to the risk I think it should have identified here.*

*What should Barclays have done to protect Mr A?*

*I've thought carefully about what a proportionate response in light of the risk presented would be in these circumstances. In doing so, I've taken into account that many payments that look very similar to this one will be entirely genuine. I've given due consideration to Barclays' duty to make payments promptly, as well as what I consider to have been good industry practice at the time this payment was made.*

*Taking that into account, as well as I what I consider to be fair and reasonable, when Mr A tried to make the fourth payment here for £5,000 on 26 May 2023, I think Barclays ought to have made further enquiries to attempt to establish the circumstances surrounding the payment before allowing it to debit his account. And I think it should have done this by carrying out some kind of human intervention with him, either via a live chat or over the phone, to discuss the payment further and ask more probing questions about the circumstances surrounding it.*

*If Barclays had made further enquiries before the payment, would that have prevented the losses Mr A incurred after that point?*

*I've thought carefully about whether an intervention to attempt to establish the circumstances surrounding this payment would have likely prevented any further loss in this case. And on the balance of probabilities, I think it would have.*

*If Barclays had asked more probing questions about the circumstances surrounding the payment, I think Mr A would have answered them honestly. I've not seen anything to suggest Mr A was given a cover story by the cryptocurrency investment company, or that he was told to lie to or mislead any of the banks he made the payments from about the circumstances surrounding them. I don't think the payment purposes he gave Barclays were untrue, and in fact he openly answered that the payment from his savings account was for an investment or cryptocurrency. And from what I've seen of his communication with the other banks he made payments from, Mr A answered the questions he was asked openly and honestly.*

*Given the size of the payment here and the risk I think it should have identified, Barclays' questions should have asked things like how Mr A found out about the investment, whether there was a third-party involved, whether he'd been asked to download remote access software, what kind of returns he'd been promised and whether he'd been told to make further onwards payments from the account the funds were being sent to.*

*As I think Mr A would likely have answered these questions honestly, I think Barclays would have been told that Mr A had found out about the investment from an advert on a social media website featuring a well-known public figure, that someone from the investment company was guiding him through making trades and that he was purchasing cryptocurrency and sending it on to the company. And as these are all common features of investment scams, I think Barclays should then have had significant concerns that Mr A was the victim of a scam.*

*Barclays should then have explained its concerns to Mr A and provided him with a warning about the features of common investment scams, such as third-party brokers controlling trades and accounts, investment companies advertised on social media and endorsed by celebrities, and high returns following an initial low investment. And as several of these features were present in the circumstances of his payments, I think it's likely a warning highlighting these features would have resonated with him and Mr A would then have considered the investment and researched the investment company further.*

*The FCA had issued a warning about the investment company before Mr A made any of the payments here, warning that it may be providing financial services or products without authorisation and that customers should avoid dealing with the company and beware of potential scams. And, on researching the investment company further, I think Mr A would likely have come across this warning, concluded the company was likely operating a scam and he would not have made any further payments.*

*Therefore, on the balance of probabilities, had Barclays provided Mr A with an impactful warning that gave details about investment scams and how he could protect himself from the risk of fraud – as I think it should have done – I think the scam would have been uncovered and Mr A wouldn't have made any further payments or suffered any further losses from this point on.*

*Is it fair and reasonable for Barclays to be held responsible for some of Mr A's loss?*

*In reaching my decision about what is fair and reasonable, I have taken into account that Mr A initially transferred money from his Barclays account to another account in his own name with the another bank, rather than directly to the fraudster. So he remained in control of his money after the money left his Barclays account, and there were further steps before the money was lost to the scammer.*

*But as I've set out in detail above, I think that Barclays still should have recognised that Mr A might have been at risk of financial harm from fraud when he made the payment of £5,000 on 26 May 2023, and in those circumstances it should have made further enquiries about the circumstances surrounding the payment. If it had taken those steps, I'm satisfied it would have prevented the losses Mr A suffered. The fact that the money used to fund the scam wasn't lost at the point it was transferred to Mr A's own account with another bank does not alter that fact and I think Barclays can fairly be held responsible for Mr A's loss in such circumstances.*

*Barclays has said that Mr A would not be entitled to compensation under either the Lending Standards Boards Contingent Reimbursement Model (the CRM code) or the Faster Payment Scheme (FPS) mandatory reimbursement rules. And I agree that neither of those sets of rules apply to Mr A's complaint. The payment fell out of scope of the CRM code as it went to an account in Mr A's own name. The FPS mandatory reimbursement rules are now in force, but do not apply retrospectively and so are not relevant to the payments in this case.*

*But the Payment Systems Regulator, when it introduced the FPS mandatory reimbursement rules, reminded firms that fraud victims have a right to make complaints and refer them to the Financial Ombudsman Service separately from the new reimbursement rights and that APP scam victims will still be able to bring complaints where they believe that the conduct of a firm has caused their loss (in addition to any claim under the reimbursement rules). So it is not correct to suggest, as Barclays appears to do, that the PSR's mandatory reimbursement scheme represents the only refund requirements so far as fraud and scam reimbursement is concerned.*

*I've also considered that Mr A has complained against two regulated financial businesses here, Barclays and the bank the payments from his Barclays account went to. In cases where a consumer has made complaints against two financial businesses about connected circumstances, DISP 3.6.3 gives me the power to require a financial business to pay a proportion of an award. In this case, I am considering Barclays' liability, but as Mr A has also complained against the other bank, their liability in this case is relevant, too. So, when considering a fair and reasonable level of redress in this case, I have taken this into account.*

*Should Mr A bear any responsibility for his loss?*

*Barclays has argued that Mr A should have done more to protect himself here by doing a greater level of due diligence on the investment company before making the payments. And I've considered whether it would be fair for Mr A to bear some responsibility for his loss.*

*In considering this, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint.*

*I appreciate that this was a sophisticated scam, where Mr A was given access to a trading platform where he could see what appeared to be real-time information about trades being made and the profit he was supposedly making. But I also think there were a number of things about what was happening and what he was told that should have caused him significant concern.*

*Mr A doesn't appear to have done any independent checks into the investment company before making this investment. And, particularly given the amount of money he was investing with it, I think it's reasonable to expect Mr A to have carried out more thorough checks than he appears to here. Barclays also specifically suggested that Mr A check the FCA's ScamSmart tool in one of the warnings it showed him. But Mr A doesn't appear to have followed this advice, as the FCA had issued a warning about the investment company before he made the payments, which he would likely have seen if he had done so.*

*The investment company also asked Mr A to download remote access software so that it could help him carry out his investments. But I wouldn't expect a legitimate company to ask for this kind of access to a customer's personal computer, so I think being asked this should have caused Mr A concern. The investment company also suggested that Mr A take out a number of loans to fund his investments. But I also wouldn't expect a legitimate company to suggest borrowing money to make an investment in this way, so I think this suggestion should also have caused Mr A significant concern.*

*Mr A was also told he had made very significant profits on the amounts he had invested. From what he's said, he was told he had more than doubled the amount he had invested, in less than a month. But I don't think these kinds of returns are plausible, particularly in such a short period of time and with seemingly little risk of losing his money. So I think being told he had made these kinds of returns should have caused Mr A significant concern that what he was being told was too good to be true.*

*I sympathise with the position Mr A has found himself in and recognise that he has been the victim of a cruel scam. But I think there were a number of things here which should have caused him significant concern, particularly when taken all together. And I don't think he did enough to satisfy those concerns or that the seemingly genuine parts of the scam should have been enough to overcome them.*

*So I think it would be fair and reasonable for him to bear some responsibility for the loss he suffered.*

## Redress

*For the reasons set out above, I think Barclays should have identified that Mr A was at risk of financial harm from fraud as a result of the fourth payment he made here, of £5,000 on 26 May 2023. And I think the action I would have expected it to take in response to this risk would have prevented Mr A making any further payments, and so losing the money he did from that point on. I also think it would be fair for Mr A to bear some responsibility for the money he lost.*

*All the payments from Mr A's Barclays account were sent on to an account he held with another bank before being sent on to the investment company. And, in a separate complaint, it was recommended that this other bank could also have done more to protect Mr A in relation to all the funds it allowed to be sent on. So I think it would be fair for Mr A, Barclays and Mr A's other bank to all share responsibility for the loss here.*

*In their assessment, our investigator recommended a 34% deduction for contributory negligence for the payments Mr A, Barclays and Mr A's other bank all shared responsibility for – which is the case for all the payments I have found Barclays should bear some responsibility for as part of this complaint. This was on the basis that both Barclays and Mr A's other bank are responsible for the same loss and Mr A shares some responsibility too.*

*I've reconsidered this finding and, while I know this will be disappointing for Mr A, I don't think this deduction is fair in these circumstances.*

*I've considered the nature and seriousness of the fault on the side of the banks, as a whole, compared with the fault of Mr A. When looking at the mistakes made by both banks, I've found them to be very similar in nature – they both should have recognised that Mr A was at risk of financial harm from fraud and prevented some of his loss. Where two banks have made the same or similar mistakes, I don't think their combined mistakes mean that they are more at fault than they would be if only one of them had made that mistake.*

*And so I think Mr A should bear equal responsibility for what happened, and that means I think fair redress would be as follows:*

- Barclays and Mr A's other bank should each be responsible for 25% of the loss Mr A suffered from the payments I've found Barclays should bear some responsibility for as part of this complaint*
- Mr A should be responsible for 50% of the loss he suffered from the payments I've found Barclays should bear some responsibility for as part of this complaint*

*Mr A received four credits back from the investment company during this investment, totalling £2,016.57. And so I think it would be fair for these credits to be deducted from his loss when calculating the amount he should be refunded – in proportion to the amount his banks are being asked to refund him.*

*Taking all of this into account, I think it would be fair for Mr A to be refunded a total of £56,491.72 – of which I think Barclays should be responsible for £27,017.78*

*However, Mr A's other bank has already refunded him £42,500. And so I think Barclays should now refund the difference between this amount and the total refund I think it would be fair for Mr A to receive, of £13,991.72.”*

I said I'd consider anything further Mr A and Barclays sent in following the provisional decision, provided it was received by the deadline given.

### **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.

Barclays replied to the provisional decision, saying it accepted the recommendations.

Mr A replied making several points he wanted considered before a final decision was issued, which I will address below.

Firstly, Mr A said that he felt the point at which Barclays should have been expected to intervene should have been earlier. He argued that, by the time of the third payment of £4,750 on 26 May 2023, the same risk factors I identified for the fourth payment were already present.

But while I recognise that this third payment was for a larger amount than any other payments Mr A had made from his account in the previous months and there was a significant credit into his account on the same day, I don't think it would be fair to expect Barclays to have intervened at this stage.

This was only the second payment Mr A had tried to make on that day, the first of which had been for a relatively small amount. And the payments were to an account Barclays would have been aware was in Mr A's own name with another bank, which will reasonably have made the risk associated with them seem smaller.

So it's only once Mr A tried to make the fourth payment, for £5,000 on 26 May 2023, that I think enough characteristics were present that Barclays should have identified a suspicious pattern in the payments he was attempting. At this point he'd tried to make three payments on the same day, the most recent two of which had been for large amounts to the same payee and made within 20 minutes of each other. The total amount of the payments attempted that day was also significantly larger at that point. And so I still think this is the point at which Barclays should have recognised that Mr A was at heightened risk of financial harm from fraud.

Mr A also questioned whether it was fair for him to bear responsibility for 50% of his loss, when both Barclays and the other bank were found to have failed in their regulatory duties. But if Mr A had only complained about one of the banks involved, and both he and the bank were found to be equally responsible, then he would bear responsibility for 50% of his loss. And, where there are two banks involved and they have both made the same or similar mistakes, I don't think their combined mistakes mean they are more at fault than they would be if only one of them had made that mistake. So I still think it is fair for Mr A to be responsible for 50% of his loss here.

Finally, Mr A said that the warnings Barclays provided were generic and not tailored to the specific risks of the scam he was falling victim to. But I said in the provisional decision that I didn't think the action Barclays took was a proportionate response to the risk I think it should have identified here. And that, had Barclays provided Mr A with a more impactful warning, I think the scam would have been uncovered. So I don't think it's necessary to address this any further.

So I still think the findings I set out in the provisional decision are correct, and for the same reasons. I still think both Barclays and Mr A should bear some responsibility for the money Mr A lost, and so Barclays should now refund him £13,991.72.

### **My final decision**

For the reasons set out above, I uphold this complaint and require Barclays Bank UK PLC to:

- Refund Mr A £13,991.72
- Pay Mr A simple interest at 8% per year on this refund, from the date the payments were made until the date of settlement

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 March 2026.

Alan Millward  
**Ombudsman**