

The complaint

Ms K is complaining about Barclays Bank UK PLC because it declined to refund all of the money she lost as a result of fraud.

What happened

Ms K was contacted by a scammer impersonating her son who lives overseas. She was told to make multiple cash withdrawals from her bank and leave the money under the wheel arch of a nearby vehicle. Between 17 February and 27 May 2025, she made 22 counter and ATM withdrawals totalling £67,500. She says she realised this was a scam when she visited her son and spoke to him about what had happened.

Barclays accepted it should have done more to challenge Ms K about the withdrawals she was making. In an attempt to put things right, it returned 50% of her money (£33,750) on 27 June 2025. It didn't pay interest on this amount and says it wasn't its process to do so.

My provisional decision

After the complaint was referred to me, I issued my provisional decision setting out why I think it should be upheld in part. My reasons were as follows:

In this case, there's no dispute that Ms K authorised these withdrawals. In broad terms, the starting position at law is that a bank is expected to process transactions a customer authorises it to make. In this context, 'authorised' essentially means the customer gave the business an instruction to process a transaction. In other words, they knew that money was leaving their account, irrespective of where that money actually ended up.

This notwithstanding, there are some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making a payment.

Barclays also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for transactions that might indicate the consumer is at risk of financial harm.

I'm satisfied the sequence of cash withdrawals by Ms K should have caused concern and I believe branch staff should have done much more to question her about what the money was for with a view to identifying whether she could be falling victim to a scam and providing relevant warnings. The fact it offered a refund appears to demonstrate that Barclays accepts this point. That means the issue I need to consider here is how it should put things right.

I've considered the evidence very carefully to decide what's fair and reasonable in this case. Having done so, I believe a 50% deduction from the amount to be refunded is appropriate.

In reaching this conclusion, I'm conscious that the nature of the request Ms K received was very unusual. In addition to the large amounts involved, she was asked to leave cash for her son who lived overseas underneath a vehicle rather in the UK rather than transfer money to his account where he'd be able to access it. I think it's reasonable to believe she should have been concerned about this and spoken to her son to make sure the texts were genuine before repeatedly following the instructions she was given.

I also note that Barclays' records indicate branch staff did ask Ms K about at least two of the withdrawals and, rather than explaining what she was really doing, she first said the money was needed to attend a family wedding overseas and then that it was for a holiday. If she had explained what the money was really for, I think it's likely that staff would have realised she was being scammed and told her so. I understand she was probably following the scammers' instructions when she gave these answers, but I think it's clear that by doing so she made it more difficult for the bank to identify the scam. In addition, if she was asked to hide the purpose for the payments from the bank, I think that should have made her even more suspicious about what she was being asked to do.

In the circumstances, I think Ms K ought to have proceeded with great caution. If she'd have called her son to check whether the messages were genuine or told the bank what was really happening, I think the scam would have prevented. Overall, I think it's fair and reasonable for Barclays to make a 50% deduction from the amount to be refunded.

The responses to my provisional decision

Barclays confirmed its acceptance of my provisional decision. Ms K responded to say that she believes Barclays has now trained its staff to be aware of scams but says this should have been done before and that she's been failed. She also explained that she's been suffering from different health issues since the scam and that her life has drastically changed, not for the better.

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, my findings haven't changed from those I set out previously.

I think it's likely Barclays' staff were trained about scams before the events at the centre of this complaint. But, by its own admission, its staff should have done more to prevent Ms K's loss. For the reasons explained in my provisional decision, I nonetheless think it's fair and reasonable that Ms K should bear some responsibility for her loss. Subject to the addition of interest, which Barclays has now agreed to pay, I'm satisfied that a refund of 50% of the loss is a fair and reasonable outcome.

The above notwithstanding, I am sorry to hear about Ms K's health problems and I wish her all the best as she recovers from what I appreciate must be a very distressing experience.

Putting things right

By paying a refund equal to 50% of the total amounts withdrawn by Ms K, I'm satisfied Barclays has gone most of the way to compensating her appropriately. But in line with our normal approach to this type of complaint, I do think it should have added interest to compensate her for the time she was unable to use this money.

To entirely put things right, I conclude that Barclays should pay Ms K additional compensation of A + B, where:

- A = simple interest at 8% per year on 50% of the amount of each of the 22 payments being partially refunded from the date of the corresponding payment to 27 June 2025 (the date the partial refund was paid); and
- B = simple interest on the amount in A at 8% per year from 28 June 2025 to the date the compensation is paid.

HM Revenue & Customs (HMRC) requires Barclays to deduct tax from any interest. It must provide Ms K with a certificate showing how much tax has been deducted if she asks for one.

I'm satisfied this represents a fair and reasonable settlement of this complaint.

My final decision

My final decision is that I partly uphold this complaint. Subject to Ms K's acceptance, Barclays Bank UK PLC should now put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 18 March 2026.

James Biles
Ombudsman