

The complaint

Mrs E (the representative) complain on behalf of Mr and Mrs M that Barclays Bank UK PLC failed to fairly compensate them after falling victim to a scam.

What happened

The detailed background to this complaint is well known to both parties and has been previously set out by the investigator in their assessment. So, I won't repeat it again here. Instead, I'll summarise the key points and focus on giving reasons for my decision.

Mrs E has power of attorney for her father, Mr M. A claim was raised with Barclays in relation to a scam he had fallen victim to, which resulted in a series of payments Mr M made towards the scam between 2020 and 2023 which resulted in a loss of around £75,000.

Barclays agreed to refund Mr M in full and acknowledged that they could have done more to protect him, like interrupting the payments, having a strong scams conversation, or giving him a more relevant warning upfront.

Mrs E considered that Barclays should also make an award of interest on the refund provided and that compensation was warranted here. Upon further review, Barclays did make an award of interest as well as an award of £200 compensation.

Mrs E disagreed with Barclays' resolution and brought the complaint to this service. Our investigator upheld the complaint in part. She agreed that Barclays award of interest wasn't in keeping with this services approach to redress. But she wasn't satisfied any further compensation was due here.

Both Barclays and Mrs E disagreed. Barclays considered that its revised offer of compensatory interest was in line with this services approach. Mrs E also considered that additional compensation should be awarded here.

As agreement couldn't be reached, the case has since been passed to me to decide.

I issued my provisional decision on 19 February 2026. In this I said:

What I've provisionally 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.

In this decision I've focussed on what I think is the heart of the matter here. As a consequence, if there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is a fair and reasonable outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case.

It isn't in dispute that Mr M had fallen victim to a scam, nor is it in dispute that Barclays could have done more to help protect him, like interrupting the payments, having a stronger scams conversation, or giving more relevant warnings upfront. In fact, it has already provided a full refund of the disputed transactions directly to Mr M's account.

Therefore, the only matter left for me to decide in so far as the disputed transactions are concerned, relates to an award of compensatory interest. In this case, I'm not satisfied Barclays has fairly redressed Mr and Mrs M.

When Mrs E raised concerns relating to an award of interest, Barclays initially explained it could only authorise an interest award from 28 May 2025 – the date upon which it originally concluded its investigation. It explained to Mrs E this was because it couldn't backdate the interest to when the payments were first made, as the claim wasn't logged then.

Upon the complaint being brought to this service, Barclays then explained it had looked at similar cases and reviewed the recommended redress approach. It said it believed a more appropriate period for the interest award to be applied was from the last disputed transaction dated 28 March 2023 to the date the claim was finalised on 28 May 2025. It considered the award they had made was fair and reasonable.

Having reviewed Barclays redress, it's not entirely clear what similar cases it has reviewed in reaching its conclusion regarding its award for compensatory interest in this case. Barclays can refer to published decisions by this service which explain that compensatory interest in cases such as this where redress is awarded, ought to be calculated from the date of each individual payment to the date of settlement. And not just from the date of the final disputed transaction. I see no reason to depart from that in this case here. Therefore, I uphold this aspect of Mr and Mrs M's complaint.

Finally, I've considered Barclays' handling of the fraud claim and the service Mr and Mrs M received – for which it has apologised and offered £200. I've carefully considered the submissions by Mrs E in regard to the request for further compensation following our investigators findings. But I'm limited to focusing on the impact the overall claims handling that's been had on Mr and Mrs M – as the account in question is in their names. Mrs E is not able to complain to us about this matter in her own right. Though she is authorised in law to represent Mr M.

I acknowledge Mrs E's sentiment that but for her involvement, this outcome might never have been reached. But I am unable to make an award of compensation to acknowledge the distress and inconvenience that she's described as having experienced as a result of being involved in supporting her parents throughout this process. And in the circumstances of this case, I'm not satisfied any additional award beyond the award of compensatory interest is due here.

How to put things right

To put matters right, Barclays Bank UK PLC needs to –

- Pay simple interest at 8% per year to the refunded amount of £75,409.93

- *This is to be calculated from the date of each individual disputed transaction to the date Barclays returned the £75,409.93 (less any tax properly deductible).*
- *From this total, Barclays can deduct the amount of £304.12 compensatory interest it had already paid*

If Barclays considers that it's required by HM Revenue & Customs to deduct income tax

from that interest, it should tell Mr and Mrs M how much it's taken off. It should also give them a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

My provisional decision

I've provisionally decided to uphold Mr and Mrs M's complaint. I intend to direct Barclays Bank UK Plc to put things right as I've set out above.

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 invited further comments from both parties.

Barclays confirmed it agreed with the provisional decision.

Mrs E responded with comments. Although in principle she said they accepted the decision, she requested her comments be considered. I've briefly summarised those here:

- On the point regarding the interest, they consider that it would be fair for further interest to be paid on the interest award itself
- The compensation offered by Barclays lacks in recognition of the significant impacts this had on Mr M.

I appreciate the time Mrs E has taken to highlight the points she has. And I don't take them lightly, I acknowledge that she is acting in the best interests of Mr and Mrs M.

I've carefully considered the additional points Miss E has made, however I'm not satisfied any additional award beyond the award of compensatory interest is due here – which I will comment on further below.

Essentially, what Mrs E is saying is that had Barclays correctly awarded compensatory interest in the first place, Mr and Mrs M would not have been without it for as long as they have.

As a starting point with any such complaint and in its simplest form, where we find that a firm has done something wrong, we can direct it to put things right. Often that requires the firm to put the consumer back in the position they ought to have been in but for the failings of that firm. As I explained in my provisional decision, it isn't in dispute that Mr M had fallen victim to a scam, nor is it in dispute that Barclays could have done more to help protect him, like interrupting the payments, having a stronger scams conversation, or giving more relevant warnings upfront. In fact, it has already provided a full refund of the disputed transactions directly to Mr M's account.

Beyond this, our service has the power to award interest when making a direction for a firm

to put things right. And its this interest element that has been at the centre of this complaint – or rather the lack of interest awarded here by Barclays.

It's important to point out that compensatory interest is in most circumstances awarded to compensate a consumer for being deprived the use of those funds. And I'm not satisfied there's any reason to depart from that in these circumstances here. I appreciate the concerns raised that Barclays ought to have awarded interest correctly in the first instance and that a complaint has been brought to this service to resolve this. But I make no further award here beyond what I'd already set out in my provisional decision as I'm satisfied this remains a fair and reasonable resolution.

Putting things right

To put matters right, Barclays Bank UK PLC needs to –

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- From this total, Barclays can deduct the amount of £304.12 compensatory interest it had already paid

If Barclays considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr and Mrs M how much it's taken off. It should also give them a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

My final decision is that I uphold this complaint and require Barclays Bank UK PLC to put things right as I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 2 April 2026.

Mark O'Connor
Ombudsman