

## The complaint

Mr R complains that Barclays Bank UK PLC (Barclays) is refusing to refund him the amount he lost as the result of a scam.

Mr R is being represented by a third party. To keep things simple, I will refer to Mr R throughout my decision.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr R has told us that he was a member of a social media trading group that invited members to join their group on a well-known messaging application. The group appeared to show that people were investing and making money.

Mr R watched the group for a while before deciding to invest. Mr R was invited to join a trading platform and had to provide proof of his identity as part of the process. Mr R has told us that he researched the platform before investing and didn't find anything to cause him concern.

Mr R started to make payments in relation to what he thought was a genuine investment and was initially able to make small withdrawals. However, as the supposed investment started to grow Mr R was unable to make further withdrawals and was asked to make payments instead. Mr R then realised he had fallen victim to a scam.

Mr R has disputed the following payments made from his Barclays account:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	11 June 2024	Mr R	Bill payment	£550.00
2	11 June 2024	Mr R	Bill payment	£4,350.00
3	17 June 2024	Coinbase	Bill payment	£10,000.00

Our Investigator considered Mr R's complaint and thought it should be upheld in part. Barclays didn't agree, so this complaint has been passed to me to decide.

## 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.

The evidence provided by both Mr R and Barclays sets out what happened. What is in dispute is whether Barclays should refund the money Mr R lost due to the scam.

### *Recovering the payments Mr R made*

Mr R made payments into the scam via his Barclays bank account. But the payments didn't

go to the scammer directly, they went to either another account in Mr R's name within his control, or to a legitimate cryptocurrency exchange in exchange for cryptocurrency. As it took further steps for the funds to end up in the hands of the scammer any attempt to recover the payments would have no prospect of success.

*Should Barclays have reasonably prevented the payments Mr R made?*

It has been accepted that Mr R authorised the payments that were made from his account with Barclays, albeit on the scammer's instruction. So, the starting point here is that Mr R is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Barclays should have been aware of the scam and intervened when the payments were being made. And if it had intervened, would it have been able to prevent the scam taking place.

The first payments Mr R made were going to accounts in his name and were not identifiably being made in relation to cryptocurrency, so they did not pose a heightened risk. With this in mind, I don't think it was unreasonable that Barclays didn't intervene when the payments were made.

When Mr R made payment 3 he was making a payment for a substantial value to a known cryptocurrency exchange. Considering the value of the payment and the increased risk associated with cryptocurrency related payments, I think Barclays should have had concerns that Mr R could have been at risk of financial harm and it should have intervened.

I think that a proportionate intervention to the risk payment 3 presented would have been for Barclays to have discussed the payment with Mr R with a view of understanding the circumstances that led to it being made. It should then have provided an appropriate warning based on the information Mr R provided to it.

Barclays has not provided evidence of it intervening in the way I have said it should have above.

I have not seen enough to suggest Mr R would not have provided accurate information had Barclays intervened, so I think it's most likely that had Barclays discussed payment 3 with Mr R it would have found that he was added to a messaging group and been encouraged to invest via a cryptocurrency exchange on the promise of receiving high returns in a short space of time.

As these types of scams were common at the time Mr R was making the payment I think it's likely, with Barclays previous experience, that the scam would have been uncovered and Mr R's loss prevented. Barclays is therefore responsible for Mr R's loss from payment 3.

*Did Mr R contribute to his loss?*

Despite regulatory safeguards, there is a general principle that consumers must still take responsibility for their decisions (see s.1C(d) of our enabling statute, the Financial Services and Markets Act 2000)

In the circumstances, I do think it would be fair to reduce compensation by 50% on the basis that Mr R should share blame for what happened.

Mr R was being promised too good to be true returns on an investment he had found out about via social media. A simple online search carried out around the time the payment was made would also have shown details of the company Mr R thought he was investing with operating a scam. In addition to the above Mr R was making a significant payment in relation to an investment without seeking any kind of independent advice.

Had Mr R taken more care I think it's likely he could also have prevented his loss.

### **Putting things right**

To put things right I require Barclays Bank UK PLC to:

- Refund 50% of payment 3 to Mr R
- Pay 8% simple interest per year on the amount it pays Mr R from the date of loss to the date the payment is made (less any lawfully deductible tax)

### **My final decision**

I uphold this complaint and require Barclays Bank UK PLC to put things right by doing what I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 10 April 2026.

Terry Woodham  
**Ombudsman**