

The complaint

Mr E has complained Barclays Bank UK PLC won't refund several payments he says he made and lost to a scam.

Mr E is represented by a professional representative, however for ease I will just refer to Mr E throughout.

What happened

I issued my provisional decision on this complaint on 24 February 2026. I wanted to give both sides a chance to provide any further evidence and arguments before I issued my final decision. That provisional decision forms part of this final decision and is copied below:

The background to this complaint is well known to both parties, so I won't repeat it in detail here. In summary, Mr E sent funds from his Barclays account to an electronic money institution (EMI), to what he believed to be a genuine investment firm which he found via online research. He also completed an initial payment via debit card. All these funds came from his own savings or additional borrowing under the scammer's instructions – believing he was making good returns. However, Mr E subsequently ascertained it was a scam after being asked for additional fees for a variety of reasons. In total Mr E sent circa £20,000 to the scammer between September and October 2023.

Mr E then referred his concerns to Barclays – but it did not compensate Mr E or uphold his complaint. Therefore, he referred his complaint to us. Our Investigator reviewed his concerns, agreed he had been scammed and found that Barclays ought to have been concerned when he made this third payment to his account at the EMI. At this point she thought Barclays should have asked him a series of questions to ascertain the likely scam he was falling victim to, before then showing him a warning tailored to this. However, Barclays disagreed and requested a decision.

As the complaint could not be resolved informally it has been assigned to me to issue the final decision.

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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Mr E has been the victim of a scam here; he has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean Mr E is automatically entitled to recompense by Barclays. It would only be fair for me to tell Barclays to reimburse Mr E for his loss (or a proportion of it) if: I thought Barclays reasonably ought to have prevented all (or some of) the payments Mr E made, or Barclays hindered the recovery of the payments Mr E made – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Barclays treated Mr E fairly and reasonably in its dealings with him, when he made the payments and when he reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Mr E's complaint. I know this will come as a disappointment to Mr E and so I will explain below why I've reached the decision I have.

I have kept in mind that Mr E made the payments himself and the starting position is that Barclays should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr E did not intend for his money to ultimately go to fraudsters, but he did authorise these payments to take place. However, there are some situations when a bank should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time - Barclays should fairly and reasonably:

- 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 payment service providers are generally more familiar with than the average customer.*
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.*
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so.*

So, I've thought about whether the transactions should have highlighted to Barclays that Mr E might be at a heightened risk of financial harm due to fraud or a scam.

As our Investigator highlighted, Barclays ought to have been concerned as Mr E continued making such large payments to his EMI account. However, I am not persuaded that the intervention / warning our Investigator suggested would have stopped Mr E proceeding. I say this because when the EMI intervened with a human intervention on 11 October 2023 Mr E was not forthcoming with what he was really completing the transfers for, why he was not making them from his Barclays account and instead acknowledged the investment scam warning – confirming he understood it and already had this kind of warning. Had he been forthcoming in response to the questions he was asked the scam may well have been uncovered at that point.

However, the EMI still did give Mr E an investment scam warning. Considering Mr E's investment circumstances, this warning had enough similarities that it ought to have resonated with him – such as unrealistic returns being promised/obtained, screensharing software having been downloaded, KYC being completed and coaching being given on what to avoid sharing with the EMI. However, he still proceeded.

I have kept in mind the EMI's human intervention was around seven days after the point Barclays could have give him a better automated warning. However, based on what is available I'm persuaded Mr E was under the spell of the scammer from an early stage – for example, he was receiving daily telephone calls and messages from the scammer. I've noted within the scam chat on 6 October the scammer refers Mr E to use the chat support of the EMI and specifically informs him to avoid sharing about the trading platform, or even trading – instead to say that he's completing a transfer between his accounts. The scammer also asks Mr E to open the screensharing software to monitor this conversation and says to refer to him if there are any questions he can't answer and he'll let him know how to do so. The scammer also checked in with Mr E when he could gain access to his computer. This all highlights the level of manipulation the scammer was exerting over Mr E – and how much trust Mr E had in the scammer to follow what he was being told. Additionally, Mr E believed his investment was rapidly increasing in value, with his initial amount apparently having been multiplied six and a half times – this no doubt added to his belief in the scammer.

Therefore, I'm persuaded that even had Barclays intervened at any point during the scam that he would have referred to the scammer, who would have coached him on how to respond.

Recovery

I am not persuaded that there was any chance of successful recourse of any of Mr E's lost funds. The transfers were made to one of his other accounts, not the scammer directly, and so Barclays would only be able to attempt to recover funds from his own account – which but for the transfer would be within his control still.

Similarly, the card payment Mr E says was also part of the scam looks to have been made to a legitimate consulting provider and I've been provided with no evidence to suggest the service he paid for was not provided. Therefore, it's unlikely a chargeback would have been successful. I am aware scammers will sometimes have a victim purchase some sort of investment course through a genuine provider to add a layer of legitimacy to their scam.

I do not think Barclays could have done anything further to successfully recover the funds in this instance.

The Contingent Reimbursement Model Code

Although Barclays has signed up to the Contingent Reimbursement Model Code, the payments Mr E made from his Barclays account aren't covered by the Code because he made the payments from his Barclays account to his other account and not to another person. Similarly, card payments are also not covered under the Code. I cannot fairly and reasonably say that Barclays should have to refund payments under the Code when it doesn't apply here.

So, in light of all of the above findings, there's no fair and reasonable basis under which I can ask Barclays to reimburse Mr E's loss.

Barclays did not respond to my request for comment. Mr E responded and did not agree. Briefly, and in summary he informed me:

- The other EMI he held an account, and which case was upheld by an Investigator, would not have accepted liability if its intervention was completely sound.
- Barclays could have stopped the scam had they intervened with the payments as he was not completely under the spell.
- He trusted Barclays more than the EMI, which gives additional reason as to why it could have uncovered the scam.
- The option selected by him was paying to another account, which Barclays flagged as suspicious and attempted to call because of this. It would not have called if not concerned and so the payment the next day should not have been permitted without intervention.

I will note that just because I have given a summary in my own words of what Mr E responded with, I have considered all points.

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 considered Mr E's additional points I am still not persuaded that his losses could have been prevented.

I've noted Mr E reference's a linked case upheld by an Investigator. However, that doesn't automatically mean each other case is also upheld. This is especially so considering the expectation as to the level of a trigger / Mr E's particular circumstances at that point. In this instance I would not have expected a human intervention to have occurred by Barclays - regardless as to whether Barclays first sought to complete one before it seems deciding against the action. However, I would consider (alongside my wider review) how Mr E acted during another financial entities' intervention and apply that to the level of intervention I would have expected from Barclays – which is what I have done here. With this in mind, I do not think Mr E would have taken note of an automated warning.

I appreciate Mr E believes he would have trusted a Barclays' warning more than he did those from the EMI. However, as for the reasons I previously outlined, I am not persuaded that an automated warning from Barclays would have resonated with Mr E when the wider evidence suggests he was under the scammer's spell from early in the scam.

Therefore, although I do not dispute Mr E has fallen victim to a cruel scam, I do not think Barclays should be held liable for the losses.

My final decision

My final decision is I do not uphold this complaint against Barclays Bank UK PLC.

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

Lawrence Keath
Ombudsman