

The complaint

Mr T has complained Barclays Bank UK Plc won't refund multiple payments he says he made and lost to scams.

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

What happened

I issued my provisional decision on 13 February 2026 to give both parties the opportunity to send me any additional comments prior to issuing my final decision. My provisional decision forms part of my final decision and is included below:

The background to this complaint is well known to both parties, so I won't repeat it in detail here. In summary, Mr T fell victim to an investment scam after coming across an online article for a trading company. After entering his personal details, he was introduced to an investment scheme that encouraged investors to begin with a deposit of £250. As part of the scam, Mr T sent funds from Barclays to another account he held in his name at another financial entity – before they were subsequently converted to cryptocurrency and sent to the scammer. He kept in regular contact with his assigned 'account manager' throughout and his initial investment increased and he was able to complete some small withdrawals. However, when he subsequently wanted to complete larger withdrawals he was informed of different fees and realised he had been scammed.

Our Investigator looked into things and recommend the complaint be upheld. They did not think Mr T should have been permitted to make the payment of £9,500 as it should have flagged as high-risk. They were of the view that this amount was a higher than usual payment having received £10,000 from another of his accounts. They accepted that a singular larger payment is not unusual, but considered that the account activity ought to have been noted as unusual enough to have caused Barclays concern. Barclays disagreed and requested a decision.

As our Investigator couldn't resolve the matter informally, the case has been passed to me to issue a 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 T 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 T is automatically entitled to recompense by Barclays. It would only be fair for me to tell Barclays to reimburse Mr T for his loss (or a proportion of it) if: I thought Barclays reasonably ought to have prevented Mr T making a payment, or Barclays hindered the recovery of the lost funds – 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 T 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 T's complaint. I know this will come as a disappointment to Mr T and so I will explain below why I've reached the decision I have.

I have kept in mind that Mr T 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 T 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 where Barclays 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 T might be at a heightened risk of financial harm due to fraud or a scam.

Having considered Mr T's payments, I'm not persuaded that Barclays should have been concerned with them being sent to another account in his own name at an Electronic Money Institution (EMI). The EMI account wasn't a newly opened account and Mr T had sent, albeit of a lower value, funds to there in August 2023. Mr T sending funds to an EMI account in his own name, even if it was following £10,000 being deposited that day, would not be cause for concern. Although it is slightly unusual for these funds to have been sent via Barclays, rather than directly from the originating account, it doesn't show sufficient hallmarks of a scam occurring and so I'm not persuaded an intervention would have been required.

I have noted that a telephone call did occur after Mr T called Barclays to ascertain why his payment was being held. However, after establishing it was Mr T that was seeking to send funds to his own account and no-one had asked him to do so, I do not think Barclays acted unreasonably by allowing Mr T to send funds to his EMI account. I think it's important to highlight that there are many payments made by customers each day. There's a balance to be struck between the extent Barclays intervenes in payments to protect customers and not unnecessarily disrupting legitimate payment instructions. Ultimately, the payment did not have sufficient common hallmarks to suggest a scam was potentially occurring. Therefore, I wouldn't have expected Barclays to question Mr T further without such concerns.

Similarly, as Mr T's payments continued I am not persuaded that Barclays ought to have been concerned about them and intervened. The subsequent payments were not made rapidly nor were they of amounts that would have looked suspicious.

Therefore, although I am sorry to disappoint Mr T as I do not doubt he has fallen victim to a cruel scam, I don't think Barclays should have prevented him making the payments. So, it wouldn't be reasonable for me to ask them to refund the payments he made.

The Contingent Reimbursement Model Code

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

Recovery

I have gone on to consider if Barclays took reasonable steps to try and recover the funds. However, the funds were not sent directly to the scammer and had they not subsequently been forwarded to the scammer they would still be within Mr T's control within his EMI account.

So, I do not think Barclays could have taken any additional action here to have successfully recovered the funds.

Barclays did not send me any additional points to consider. Mr T did respond and did not agree with my findings. In summary, he responded with the following:

- The payment of £9,500, following receipt of £10,000, ought to have been suspicious to Barclays.
- Barclays should have been aware of the risk of multi-stage fraud – and the fact the payment was sent to an existing EMI account in his own name should not diminish the overall risk.
- Barclays ought to have probed further as that would have highlighted the scam he was falling victim to.

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.

Although I have only included briefly, in my own words, what Mr T responded to my provisional decision with, I have considered everything he sent me fully. I may not comment

on each part individually or include again anything already sufficiently explained within my provisional decision.

Having done so, I have not been supplied with anything which persuades me to depart from my decision. Although Mr T is correct that payments to EMIs can be linked with multi-stage fraud; there are many payments made which are not. In this instance there were not sufficient wider red flags to suggest Mr T was falling victim to a scam and therefore I would not have expected Barclays to have probed any further than it did here.

Therefore, although I do not doubt Mr T was falling victim to a scam, I do not think Barclays acted incorrectly.

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 T to accept or reject my decision before 13 April 2026.

Lawrence Keath
Ombudsman