

## **Complaint**

Mr A is unhappy that Barclays Bank UK PLC hasn't reimbursed him after he fell victim to a scam.

## **Background**

The details of the complaint are well known to both parties, so I'll summarise them only briefly. Mr A fell victim to an investment scam after he was contacted on social media. He used his Barclays account to make payments to an account with a cryptocurrency platform. He did this because he'd been promised generous returns by the scammer. In total, he transferred a little under £9,000. He also received some credits back to his account from the cryptocurrency platform.

Once he realised he'd fallen victim to a scam, he contacted Barclays. However, it said it wouldn't reimburse him. He wasn't happy with that response and so he referred his complaint to this service. It was looked at by an Investigator who upheld it in part.

She thought Barclays should've done more to protect him from fraud. However, she thought that Mr A should be considered partially responsible for his own losses. Mr A disagreed with the Investigator's opinion and so the complaint has been passed to me to consider and come to a final decision.

## **Findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The starting point in law is that Mr A is liable for any transaction he authorises. However, Barclays was also expected to be on the lookout for account activity that was unusual or out of character and might have been an indication that Mr A was at risk of financial harm due to fraud.

I agree with the conclusions of the Investigator that the risk ought to have been clear from the second payment. Mr A had made two payments in quick succession, they were for higher values than typical payments from his account and they were to a cryptocurrency platform. I think Barclays should've recognised the strong possibility that Mr A was falling victim to an investment scam and contacted him before processing the second payment. If it had done so, I think it's more likely than not that Mr A would've explained that he came across the investment opportunity on social media and Barclays could've warned him that it was most likely a scam.

However, I've also considered whether Mr A should be considered partially responsible for his own losses. In doing so, I've taken into account what the law says about contributory negligence while also bearing in mind that I must decide this case based on what I consider to be fair and reasonable.

I do think it's fair and reasonable for him to be considered partially responsible here. He

ought to have been more sceptical of an investment opportunity that was presented to him on a social media platform. He was concerned that he couldn't find anything about them online. However, he took a not particularly persuasive explanation from the scammer at face value. He was also told that he could expect to earn over £1 million in a short space of time. The returns he was promised were outlandish and too good to be true and Mr A ought to have acted more cautiously than he did. For that reason, I think it's fair for Barclays to deduct 50% from any compensation it pays him.

### **Final decision**

For the reasons I've explained above, I uphold this complaint. If Mr A accepts my decision, Barclays Bank UK PLC should:

- Refund him 50% of the money he lost to the scam from the second payment onwards, less the credits he received back from the scammer.
- Add 8% simple interest per annum to that sum calculated to run from the date the money left Mr A's account until the date any settlement is paid to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 August 2023.

James Kimmitt  
**Ombudsman**