

The complaint

Mr L is unhappy that Barclays Bank UK PLC won't refund money he lost as part of a cryptocurrency scam.

What happened

- Mr L wanted to send money to a cryptocurrency platform. Because the payment didn't go through with one of his bank accounts, he sent the money to his Barclays' account to try the same payment again. This also didn't go through, so he tried to transfer the money back to his original account.
- Barclays stopped this payment due to fraud concerns, so Mr L spoke to Barclays' fraud team, who ultimately removed the blocks on his account.
- During the conversation, Mr L and the Barclays's representative spoke about cryptocurrencies. Mr L complains the representative encouraged him to go ahead with the investment without warning him of the risks he could be falling victim to a scam.

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 done so, I've reached the same outcome as our investigator for these reasons:

- I've listened to the call Mr L had with the Barclays' representative. While this transfer was to an account in Mr L's name, I accept they could've had a more robust conversation about cryptocurrency scams given that he told them it was his ultimate objective to invest. But even if they had, I'm not persuaded Barclays would've realised he was falling victim to a scam or that Mr L wouldn't have gone ahead. I'll explain why.
- It seemed from the call Mr L had some experience with cryptocurrency and high-risk investments – and when he was asked what coin he was looking to invest in, he mentioned Ethereum, a reasonably established cryptocurrency. So, I'm not convinced that, even if Barclays had questioned him further, they would've realised he was vulnerable to falling victim of a pump and dump scam. While Mr L hasn't provided many details of the scam, this typically involves a group misleadingly promoting a new coin to inflate the value, before selling and crashing its value.
- Indeed, I'm mindful that this scam would've been particularly difficult to detect – Mr L hasn't mentioned any typical indicators of cryptocurrency scams, like guaranteed returns or the use of remote access software.
- It follows that I'm not persuaded that more robust questioning or a general warning about cryptocurrency scams is likely to have changed things here.

- I've also taken on board Mr L's points that he felt generally encouraged to invest in cryptocurrency from the conversation he had with Barclays' representative. But even if it was inappropriate, I think it was clear from the context of the call that the representative was recalling his own personal experience of investing, as opposed to some sort of endorsement or advice from Barclays. And I'm mindful that a lot of their conversation was in very general terms and reflected how risky and volatile cryptocurrencies are.
- I accept they spoke about how the representative had made a profit from Bitcoin and how he thinks of it as a long-term strategy. But I'm mindful there are lots of people who will recount a similar experience and strategy – so I doubt that hearing this was something new to Mr L. And ultimately, I think it's too remote to say that this broad conversation about one coin caused him to fall victim to a particular pump and dump scam in an entirely different coin.
- I've also considered that the representative explained how he could send money to Binance, a cryptocurrency platform. But that was because Mr L asked him. And even if the representative hadn't answered, I think it's likely he could've simply found the answer elsewhere.
- Taking this all into account, I find it difficult to say this conversation represented specific investment advice, or that this particular conversation was the cause of Mr L's subsequent particular losses.
- It follows that, while I appreciate Mr L's distress and frustration at ultimately being a victim of a scam, I don't think this conversation is to blame for his losses. So I'll not be telling Barclays to put things right.

My final decision

For the reasons I've explained, I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 26 February 2024.

Emma Szkolar
Ombudsman