

The complaint

Miss N complains that Barclays Bank UK PLC did not refund a series of payments she lost to a scam.

What happened

Miss N fell victim to a task-based job scam, after she was contacted via a messaging platform about a remote job opportunity. She was told she had to complete a certain number of tasks before she could withdraw commission. Certain special tasks cost money to complete but earned more commission. To fund these, Miss N opened several accounts with third party financial institutions and cryptocurrency wallets. Miss N made the following faster payments from her Barclays account towards the scam:

Date	Amount (£)	Payment type
08/11/2023	20.08	Faster Payment out
08/11/2023	50.21	Faster Payment out
09/11/2023	104.44	Faster Payment out
10/11/2023	2,000	Faster Payment out
10/11/2023	418.88	Faster Payment out
10/11/2023	2,030	Faster Payment out
10/11/2023	2,000	Faster Payment out
10/11/2023	1,030	Faster Payment out
10/11/2023	10	Faster Payment out
10/11/2023	31	Faster Payment out
10/11/2023	1,310.06	Faster Payment out
10/11/2023	100.42	Faster Payment out
10/11/2023	1,315.56	Faster Payment out
10/11/2023	2,000	Faster Payment out
13/11/2023	4,000	Faster Payment out
13/11/2023	1,010	Faster Payment out
13/11/2023	2,000	Credit in

When Miss N was told to deposit more and more money before she could withdraw her commission, she realised she had been the victim of a scam. She raised a scam claim with Barclays who issued a final response letter. In this, they explained Miss N had willingly transferred the funds from her Barclays account to the beneficiary accounts and they felt the responsibility for the loss sat with the beneficiary account providers.

Miss N referred the complaint to our service and our Investigator looked into it. They felt that the pattern of the payments was unusual enough that it warranted intervention from Barclays. But they did not think any intervention would have revealed the scam and prevented the payments from being made. This is because when Barclays did intervene in a payment going towards the scam, Miss N misled them about the purpose of the payment, so they could not provide an effective warning.

Miss N's representative disagreed with the outcome. In summary, they felt an intervention

should have uncovered the scam and they highlighted inconsistencies in Miss N's responses when Barclays intervened.

As an informal agreement could not be reached, the complaint has been passed to me for a final decision.

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.

I'm satisfied Miss N has been the victim of a job scam and I'm sorry she's had to go through this experience. As this complaint is against Barclays and not the scammer, I can only consider their actions in this decision.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account 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.

Broadly speaking, the starting position in law is that an account provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the account. And a customer will then be responsible for the transactions that they have authorised.

It's not in dispute here that Miss N authorised the payments in question as she believed they were part of a legitimate job opportunity. So, while I recognise that she didn't intend the money to go to scammers, the starting position in law is that Barclays was obliged to follow Miss N's instruction and process the payments. Because of this, she is not automatically entitled to a refund.

The regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams. So, I've also thought about whether Barclays did enough to try to keep Miss N's account safe.

Having reviewed the scam payments alongside Miss N's genuine account activity, I agree that at a certain point the value and frequency of the payments became suspicious. And I think this warranted intervention from Barclays prior to them being processed. I can see that Barclays did intervene in a payment of £2,000 on 10 November. I've considered this, along with Miss N's testimony and the communications she had with the scammer to determine if I think a better intervention would reasonably have uncovered the scam.

I've listened to the phone call where Barclays intervened in the payment of £2,000. When asked what the purpose of the transfer was, Miss N confirmed she was repaying a friend who had loaned her money the year before. And that she had confirmed the details were correct that morning. During this call she was asked to confirm if she had been told what to say or asked to lie to the bank and she confirmed 'no'.

As Barclays did not have the correct information about the purpose of the payment, I don't think they could reasonably have identified that Miss N could be the victim of a scam. Miss N was making payments to different accounts and most were not of a particularly high value, and without any indication that she could be at risk of financial harm, I don't think Barclays

could have done more to uncover the scam.

Miss N's representative has pointed out the call handler mentions an earlier payment of £6,000 that had been blocked, but this was in the context of working out if Miss N had exceeded her daily limit on mobile banking payments, and I don't think Barclays needed to ask further questions around this. I think it is reasonable they were satisfied by her earlier answers to the questions, and there was no indication the earlier blocked payment of £6,000 was linked to the £2,000 one.

I've also reviewed the messages between Miss N and the scammer. In this, I can see that other account providers she sent scam payments from blocked payments or raised scam concerns. When this happened, Miss N let the scammer know and asked for assistance. She was asked to provide screenshots of the questions she was being asked and was guided in the answers by the scammer. In the chats, I can see she was warned not to mention cryptocurrency in the references for payments and was told not to mention the payments were going towards a job.

With this in mind, even if I were to agree that Barclays should have provided a better intervention, I think it's unlikely they would have been able to uncover that Miss N was the victim of a job scam, considering she was deep under the spell of the scammer at the time. So, I don't think they could have provided Miss N with a meaningful warning about the scam she had fallen victim to.

I've finally reviewed if Barclays could have done more to try and recover the funds lost to the scam. As Miss N sent the majority of the funds to accounts under her control and then onto the scammers, or purchased cryptocurrency that was then forwarded to the scammers, it was not possible for Barclays to recover the funds from the beneficiary accounts. So, I don't think Barclays needs to take any further action to remedy the complaint.

My final decision

I do not uphold Miss N's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 25 October 2024.

Rebecca Norris
Ombudsman