

The complaint

Mr J and Mrs M complain that The Royal Bank of Scotland Plc ("RBS") won't refund over £21,000 they lost to a cryptocurrency investment scam beginning in February 2021.

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I will focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons:

- It isn't in dispute that Mr J and Mrs M authorised the disputed payments they made to their crypto wallet from their RBS account (where their funds were subsequently transferred on to the scammers). The payments were requested using their legitimate security credentials provided by RBS, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I've considered whether RBS should have done more to prevent Mr J and Mrs M from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- I appreciate that overall, Mr J and Mrs M have lost over £21,000 which is a significant amount of money. But this amount wasn't paid in one large or 'out of character' transaction. It was spread over four separate smaller increments which, in my judgment, would not have appeared particularly unusual or out of character when compared with their spending history. I can see from their statements that they had previously made another faster payment for £10,000 in July 2020, for example.
- So, considering that the largest payment made as part of the scam was to Luno for just over £10,000, I don't think any of the payments ought to have been regarded as suspicious or indicating that they might have been at risk of falling victim to a scam. The payments were all relatively spaced out, and were not of such an amount that they would represent a significant deviation from the sort of spending made from the account in the past.
- Therefore, having considered the payments Mr J and Mrs M made as part of the scam, I'm not persuaded there was anything that ought reasonably to have triggered RBS's fraud monitoring systems, or that would have indicated they were at risk of financial harm.
- I also don't think there was anything more RBS could've done to recover the money

either after the fraud had been reported. I can see that it reached out to Luno, but was told that no funds remained in the beneficiary accounts, which isn't surprising given we know the money was transferred on from there to the scammer. In terms of the initial debit card payment of £258.33, it isn't clear if RBS ever attempted a chargeback claim. However, I also haven't been provided with any evidence to show that a chargeback would've likely succeeded if it had been raised (which have very limited prospects of succeeding in circumstances involving investment scams such as this). So, I don't consider RBS has acted unreasonably by failing to pursue a chargeback claim either.

- I understand that Mr J and Mrs M are also unhappy with the time it took RBS to conclude its investigation into their fraud claim. I appreciate this would have been frustrating, as I can see that it took longer than usual for RBS to provide a response. But overall, I'm not persuaded it would warrant an award of compensation in these circumstances, particularly as RBS hasn't wrongly declined Mr J and Mrs M's claim or wrongfully deprived them of their money by failing to provide a refund.

I appreciate this will likely come as a disappointment to Mr J and Mrs M, and I'm sorry to hear they've fallen victim of a cruel scam. However, in the circumstances, I do not consider it would be fair and reasonable to hold RBS liable for their loss.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J and Mrs M to accept or reject my decision before 6 February 2024.

Jack Ferris
Ombudsman