

## The complaint

Mr C has complained that Bank of Scotland Plc failed to protect him from an employment-related impersonation scam.

## What happened

The background of this complaint is already known to both parties, so I won't repeat all of it here. But I'll summarise the key points and then focus on explaining the reason for my decision.

Mr C has used a professional representative to refer his complaint to this service. For the purposes of my decision, I'll refer directly to Mr C, but I'd like to reassure Mr C and his representative that I've considered everything both parties have said.

Mr C explains that around August 2023 he was contacted by an individual ("the scammer") on a popular messaging application offering him an employment opportunity. He didn't find this unusual as he was looking for work at the time so Mr C expressed an interest in the role. He says the scammer explained that the job involved completing online reviews of products in order to boost their search results and sales. Mr C was told he'd need to deposit funds into a "work platform" in order to simulate buying the items before reviewing them, and he'd then complete batches of 20-30 tasks in return for a weekly wage of £945.07 plus commission, and then he could withdraw his earnings as well as his initial outlay. He was also told that he could complete "premium tasks", which although they'd appear to make his balance on the work platform fall into a negative position, he'd earn significantly more commission for completing these after restoring his balance.

Mr C says the company's website, and the systems used to show his work tasks and earnings, were extremely professional and had all of the characteristics he'd expect from a legitimate company. He also says once he'd logged into the review portal he could see the balance of the commission he'd earned and he was initially able to withdraw a small amount of it.

In order to continue working following a negative balance Mr C was required to make a payment to his work account. To do this he sent funds to his own wallet at a cryptocurrency exchange, and he then converted the pounds into cryptocurrency and forwarded it on to the scammer, under the impression it was being sent to his work account.

The payments Mr C made were as follows:

	Date	Amount (£)
1	05/08/2023	500
2	05/08/2023	400
3	06/08/2023	650
4	06/08/2023	4,300
5	06/08/2023	12,000
6	06/08/2023	2,000

7	06/08/2023	1,200
	<b>Total</b>	<b>21,050</b>

Mr C says he realised he'd been scammed when the payments he was required to make grew increasingly larger, to the point that he could no longer afford to make them, and he wasn't able to withdraw any of his alleged earnings. He also says that towards the end of his association with the scammer they demanded a large payment which was branded as an "upgrade fee".

Mr C made a complaint to Bank of Scotland. Bank of Scotland didn't uphold the complaint as it said that Mr C had sent the funds to an account held elsewhere in his own name, before forwarding them on to the scammer as cryptocurrency. Mr C remained unhappy so he referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained he didn't think the transactions ought to have appeared particularly suspicious or unusual to Bank of Scotland, so he wouldn't have expected it to intervene or prevent them from being made.

As Mr C didn't accept the investigator's opinion, the case has been passed to me to make a 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 sorry to disappoint Mr C but having considered everything I'm afraid I'm not upholding his complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Mr C authorised these payments from leaving his account. It's accepted by all parties that Mr C gave the instructions to Bank of Scotland and Bank of Scotland made the payments in line with those instructions, and in line with the terms and conditions of Mr C's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

The starting point is to establish whether the pattern of activity was out-of-character for Mr C's account. And if it was, how Bank of Scotland should've reacted to that, and whether it should've intervened, and in which way.

I've carefully reviewed Mr C's account activity for the time before the scam-related payments and I can see that since the cryptocurrency wallet was created as a payee in 2020 he's previously made 22 payments to it, ranging from £20 to £5,000, and those payments totalled over £30,000. In addition Mr C made other larger payments in the months immediately preceding these payments, such as one for almost £25,000 in June 2023 and two for £4,000 and £3,000 in July 2023.

With this in mind, I don't think Bank of Scotland should've considered it particularly unusual or suspicious that Mr C sent further payments to this same payee. Whilst I accept that the

scam-related payments were sent within a few days of each other, and one of the payments was larger than any Mr C had sent to this payee previously, I'm satisfied it was reasonable for Bank of Scotland to treat the payee as one Mr C trusted as his previous account activity, both with this payee and others, had normalised the transaction values and the payee itself. And there's nothing else that Bank of Scotland should reasonably have done to distinguish between the legitimate payments Mr C had previously made, and those related to the scam.

I've seen Mr C's representative's comment that if Bank of Scotland had intervened it would've uncovered the scam. But I don't agree, as I think any questions would've revolved around the authenticity of the payee, and Mr C had previously paid and clearly trusted this payee. I'm also not persuaded that Mr C would've been completely honest with Bank of Scotland if it had intervened. I say this because I've seen that when he initially reported the scam to Bank of Scotland he told it he hadn't authorised the payments and didn't know where they had gone – even though his complaint makes it clear this isn't true. So if Bank of Scotland had contacted him I think there's a chance he'd have chosen to conceal the true circumstances and therefore the scam wouldn't have been uncovered.

*Is Mr C responsible for any of his losses?*

I've also thought about whether Mr C did enough to satisfy himself that the job opportunity he was allegedly sending money to take part in was genuine and wouldn't result in him losing that money.

I accept that Mr C had been looking for work, but it's very unusual for a recruiter to contact a prospective candidate and offer them a job through a messaging app, without having ever spoken to them. I'm also not aware that Mr C received any kind of paperwork or employment contract showing what he thought he'd been offered, or what he'd agreed to do in return. This, as well as having to pay in cryptocurrency to earn money in return, isn't a plausible scenario. So I think Mr C could, and should, have done more to satisfy himself that he wasn't at risk of financial harm before making the payments that he did.

I'm very sorry that Mr C has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Bank of Scotland responsible for that.

**My final decision**

I don't uphold Mr C's complaint against Bank of Scotland Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 4 December 2024.

Sam Wade  
**Ombudsman**