

The complaint

Mr A complains that TSB Bank plc (TSB) won't refund money he lost in two romance scams.

What happened

What Mr A says:

Mr A says he was involved in two 'romance' scams – one was between April 2020 and December 2021; and the other between March 2022 and July 2023. In each one, he thought they would end in marriage.

First relationship – April 2020 to December 2021:

He met the person through an online dating website, met her a few times and she then began living with him for a year. Before she lived with him, he gave her money for food and electricity bills – and gave her money towards the wedding he thought they would have. He suspected she was involved in other marriage scams while he was living with her. In total, he says he gave her about £4,000 in 100 payments (note: I estimated these from TSB's records).

Second relationship – March 2022 to July 2023:

He also met this person through a dating website. They got to know each other and he visited her three or four times. He paid money for wedding shopping, clothes and a mobile phone. This person changed her name; and Mr A was then told she had died. But she later called him and he continued to pay her money – as she said she was in hospital and needed to pay medical bills, and further money for the wedding. He sent this person £13,270 in 290 payments.

Mr A says he was scammed out of the money and wants TSB to refund the money he's lost. He contacted TSB in August 2023. He says he is now in financial difficulty and cannot afford his rent and is going without food.

What TSB said:

TSB said this couldn't be deemed a scam – as Mr A had met the persons several times – and so they couldn't consider a refund under a scam investigation. TSB said this was a civil dispute between Mr A and the persons concerned.

Our investigation so far:

Mr A brought his complaint to us. Our investigator said none of the payments were suspicious and didn't need to be stopped or investigated by TSB – as they were low value and frequent. But even if TSB had contacted Mr A about the payments, he was persuaded that Mr A would've gone ahead anyway – as he was meeting the persons face to face and was anticipating marriage. So – our investigator didn't uphold Mr A's complaint.

Mr A asked that an ombudsman look at his complaint, and so it has come to me to make 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.

As a first step, I need to decide whether this was a scam (where a scammer takes money from a customer with no intention of providing any services or returning the money to them) or a civil dispute (where a payment is made to a legitimate person or business, but the promised services or events don't materialise).

If this was a scam – then banks (including TSB) must follow industry and regulatory guidance to check certain payments and in some circumstances, protect customers by stopping the payments and contacting customers about them. And where banks haven't followed the guidance, they can be asked to refund them.

But where it is a civil dispute, banks have no responsibility to make a refund, and it is down to the customer (Mr A in this case) to take action against the individuals through the police or courts.

I therefore looked at Mr A's complaint with this in mind. I can see this is clearly a civil dispute between him and the two persons concerned. I say that as:

- He believed he was in a relationship each time with the two persons.
- He met both of them a number of times and had meals with them and socialised.
- He stayed over at one person's town, and the other person lived with him for a period.
- Each relationship lasted about 18 months.

This is different to a typical romance scam – where a person meets another online, and in a very short time (say two or three months) pays money to them on the promise of a future meeting or engagement - but the meeting never happens, no relationship takes place, and the victim loses the money. And the payments are usually for much larger individual amounts.

Here – Mr A made the payments, each of a low value, and over about 18 months in each relationship. I looked at his TSB statements, and the payments were frequent – usually several each week; and of a low value – below £50 each time, and usually less than £10. So – we wouldn't have expected TSB to have stopped the payments at the time because of that.

I say that as there's a balance to be made: TSB has certain duties to be alert to fraud and scams and to act in their customers' best interests, but they can't be involved in every transaction as this would cause unnecessary disruption to legitimate payments. In this case, I think TSB acted reasonably in processing the payments.

It appears that Mr A fell into two relationships that unfortunately, didn't work out in the way he wanted them to – and paid money to the prospective partners. But I don't consider these were scams (as defined above) – and therefore, TSB do not have to investigate them as such, or consider refunds. And because of the low sums of money involved in each payment, we wouldn't have expected TSB to have intervened and question them in any case.

The only other options Mr A has is to pursue the persons through the courts if he wishes or involve the police.

Mr A says that TSB told him they'd refund the money. I listened to the call which took place on 22 August 2023 when the issues were discussed. The call handler said *"IF we refund the money this time, then we won't do it again..."* While I can see how Mr A may have been encouraged to hear that, I don't think it's reasonable to say this meant that TSB committed to refund the money.

Recovery:

We expect firms to quickly attempt to recover funds from recipient banks when a scam takes place. I looked at whether TSB took the necessary steps in contacting the banks that received the funds – in an effort to recover the lost money. They did this – and one bank said no money remained, and the other didn't respond. But – given the nature of the payments Mr A made, and the time that had passed, this was understandable. So – TSB did what they were expected to do in this case.

So, in summary, my decision is that I do not uphold this complaint. I was sorry to hear of the circumstances in which Mr A finds himself and the impact it's had on him. He will therefore be disappointed by my decision, but I'm not going to ask TSB to do anything here.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 28 February 2024.

Martin Lord
Ombudsman