

The complaint

Ms L complains that Capital One (Europe) plc ('Capital One') won't refund the money she lost when she says she fell victim to a scam.

What happened

In June 2024 Ms L's representative complained to Capital One about payments she had made to a company I'll call B in this decision. B is a literary marketing and publishing firm Ms L was using to publish and market a book she wrote.

The card payments were made from two accounts with Capital One and are set out in the table below.

Date	Amount (including fee)
16/06/22	£129.17
13/09/22	£268.19
21/10/22	£639.17
27/10/22	£227.12
16/11/22	£1,140.00
30/11/22	£430.33
20/01/23	£608.06
27/01/23	£251.02
29/03/23	£428.97

Ms L's representative said that B is widely accepted to operate a scam and provided a 2018 post from a self-publishing platform in support of Ms L's claim. They asked Capital One to reimburse the above payments under the Contingent Reimbursement Model Code ('CRM Code') and pay interest and £1,000 compensation for poor service.

Capital One asked Ms L to raise a fraud claim with its fraud team. It went on to say that the payments didn't flag on its system.

Ms L was unhappy with Capital One's response and brought a complaint to this service.

Our investigation so far

The investigator who considered this complaint didn't recommend that it be upheld. He said that the payments weren't so unusual and out of character that Capital One ought to have intervened and asked questions about them. But even if it had intervened, Capital One wouldn't have had any concerns given the contracts and other evidence Ms L had. The payments were made by card, but chargebacks weren't possible as the transactions weren't reported in time. The investigator also said that Ms L has a civil dispute with B and isn't a victim of a scam.

Ms L was unhappy with the investigator's findings. She said that the services she received fell far short of her expectations. The marketing of her book was inadequate, she didn't receive the royalties she thought she should, and subsequent services were barely fulfilled. And B stopped replying to her emails. Ms L says she now has a new publisher which has been much better than B.

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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations; regulators' rules, guidance and standards; codes of practice and, where appropriate, what I consider to have been good industry practice at the time.

The CRM Code doesn't apply to payments made by card, so isn't relevant here.

It's not in dispute that Ms L authorised the payments. In broad terms, the starting position in law is that a bank such as Capital One, is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account.

That said, as a matter of good practice, Capital One should have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: firms like Capital One need to be alert to fraud and scams and to protect their customers from fraud, but they can't reasonably be involved in every transaction.

In this case, like the investigator, I'm not persuaded Ms L has fallen victim to an authorised push payment (APP) scam. It's clear from the evidence she has provided, and from her response to the investigator's view, that Ms L received a substantial service from B. This service may have fallen short of her expectations, but this is a civil matter that a bank isn't responsible for. I've seen nothing to persuade me that Ms L was the victim of an APP scam.

I'm not satisfied that the post/article Ms L has provided from 2018 demonstrates that she was the victim of a scam at the end of 2022 and in early 2023. The article sets out the views of one person a long time before Ms L made her payments and doesn't outweigh the significant amount of evidence that demonstrates B provided the services paid for, albeit not to the level Ms L anticipated.

It might help Ms L to know that even if I was satisfied that she was the victim of a scam, I still wouldn't be asking Capital One to reimburse her loss. This is because I think it acted reasonably in processing the payments without any intervention. The payments were relatively low in value, broadly in line with her usual spending patterns and were spread out over a period of nine months. So Capital One had no reason to believe the payments carried a heightened risk of financial harm.

Ms L contacted Capital One well outside of the time period allowed to raise a chargeback. In the circumstances, there was nothing Capital One could have done.

Ms L has asked Capital One to pay her £1,000 compensation for service failings but hasn't identified those failings. I think Capital One provided a reasonable level of service and am not making an award.

Overall, I'm not satisfied Ms L has fallen victim to a scam, but, even if she has, I don't think Capital One acted unreasonably in processing her payments to B.

My final decision

For the reasons stated, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 30 July 2025.

Jay Hadfield
Ombudsman