

The complaint

Miss J complains that The Royal Bank of Scotland Plc ('RBS') won't reimburse her for payments she made to a scam.

Miss J's complaint is brought by a professional representative but for ease I will refer only to Miss J in this decision.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss J responded to an advert that offered flexible work from home. She was required to review apps and in return she was told she would receive commission and a base salary. Once she started reviewing apps she was told she could also complete high commission tasks but would need to pay to unlock those. She was told to open an account with a payment service provider (who I'll call 'R'), and she made the following payments to that account from her RBS current account.

Payment Number	Date	Type of transaction	Amount
	19 April 2024	Declined debit card payment to R	£602.99
	19 April 2024	Declined debit card payment to R	£602.99
1	19 April 2024	Debit card payment to R	£602.99
	22 April 2024	Declined debit card payment to R	£835.99
2	22 April 2024	Debit card payment to R	£835.99
3	22 April 2024	Debit card payment to R	£1,091.99
		Total Loss	£2,530.97

Eventually, when Miss J wanted to withdraw funds and further payments were requested before she could do so, Miss J realised she'd been scammed. She complained to RBS and said that they should have realised the payments she was making were unusual and that they should have intervened. If they had, and if they had provided warnings about the potential of a scam, she wouldn't have lost the money that she did.

RBS didn't uphold Miss J's complaint. They explained that the payments were made to an account in Miss J's name and that the loss occurred when the funds were subsequently passed on. They said they didn't have reasonable grounds to suspect that the payments were part of a scam.

Miss J referred her complaint to this Service, but our investigator didn't think there was anything unusual about the payments that should have led the bank to intervene, and he didn't think it would be fair to suggest RBS should refund any of the money Miss J had lost.

Miss J didn't agree, and she asked for a decision by an ombudsman.

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 Miss J but I'm not upholding her complaint. I know she's been the victim of a cruel scam, but I don't believe RBS has acted unreasonably. I'll explain why.

The Financial Ombudsman is designed to be a quick and informal alternative to the courts. Given that, my role as an ombudsman is not to address every single point that has been made. Instead, it is to decide what is fair and reasonable given the circumstances of this complaint. And for that reason, I am only going to refer to what I think are the most salient points. But I have read all of the submissions from both sides in full, and I keep in mind all of the points that have been made when I set out my decision.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

I'm required to take into account the relevant laws and regulations; regulators rules, guidance, and standards; codes of practice and, when appropriate, what I consider to have been good industry practice at the relevant time.

Broadly speaking, Miss J is responsible for any payments made from her account which are properly authorised, as they were here. And RBS has a duty to process valid payment instructions quickly and with minimal friction. These positions are set out in the Payment Service Regulations (2017).

However, taking into account the relevant law, regulations, industry guidance, and best practice, firms like RBS ought fairly and reasonably to have systems in place to monitor transactions and accounts for signs that its customer might be at risk of financial harm through fraud. Where such risks are detected, there ought to be action from the bank to intervene through the giving of warnings and scam education. Any intervention should be proportionate to the risk presented by the circumstances of the payment.

RBS should also have been aware of the increase in multi-stage fraud when considering the scams that its customers might become victim to. Multi-stage fraud involves money passing through more than one account under the consumer's control before being sent to a fraudster. Our service has seen a significant increase in this type of fraud over the past few years and it's a trend RBS ought fairly and reasonably to have been aware of at the time of the scam. The fact that the money used to fund the scam wasn't lost at the point it was transferred to Miss J's own account does not alter the fact that I think RBS could fairly be held responsible for Miss J's loss in such circumstances.

Where there is a failure by a firm to properly intervene and protect a customer, it might then be fair and reasonable to say that the firm becomes responsible for the customer's loss. And so, in Miss J's case, it's for me to determine if RBS made an error(s) over the course of the scam and, if so, whether it's fair and reasonable for it to be held responsible for Miss J's

losses as a result.

I don't think there was anything unusual about the pattern or value of the card payments Miss J made. There had been other payments of a similar or higher amount on the account. A payment of £1,000 had been made a month earlier, Miss J regularly made payments to her savings account for similar values, and she'd made a payment of £1,000 in October 2023 and one for £2,500 in September 2023. Account usage and movements can change from time to time and not every change to how the account is operated will mean that it should be considered suspicious. Ultimately, there were only three payments made towards this scam and although they were reasonably close together, I don't think it would be fair to say an unusual pattern had emerged that needed an intervention from RBS.

As the account with R was a new one, RBS asked Miss J to confirm that it was her making the first payment and when she eventually did so, conceivably through their app, I don't think they were wrong to approve the payment. They also initially declined the second payment and asked Miss J to use multi factor authentication to ensure it was her who was making the payment. I think these were sensible, automated precautions but I'm not persuaded, for the reasons I've already given, that RBS needed to intervene further.

So, I'm not persuaded that it would be fair to hold RBS responsible for any loss Miss J incurred as a result of the scam.

I've thought about whether RBS acted reasonably when it was made aware of the scam. They haven't explained whether they tried to recover the funds from the card payments, but it's not disputed that all of the funds were sent to accounts in Miss J's name before being forwarded to the scammers. So, RBS wouldn't have been able to recover any of Miss J's funds, and I don't think it treated her unreasonably for that reason here.

Chargeback – Miss J used her debit card for these payments but because she received the service R was required to perform (to debit her account with R) there wasn't a reasonable prospect of a chargeback being successful. So, RBS didn't treat her unfairly by not raising a chargeback here.

While I have sympathy for the problems Miss J has experienced I'm not persuaded RBS need to provide her with any compensation as I'm not persuaded they did anything wrong here.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 14 August 2025.

Phillip McMahon
Ombudsman