

The complaint

Ms M complains that TSB Bank plc (TSB) is refusing to refund her the amount she lost as the result of a scam.

Ms M is being represented by a third party. To keep things simple, I will refer to Ms M throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Ms M tells us she was contacted via a well-known messaging service by a business I will call "X". X appeared to be helping investors with investing in stocks and cryptocurrency.

Ms M was added to a group chat where she observed the interactions of others and started to learn about investing. X then contacted Ms M again and provided her with details of a trading platform it was using.

Ms M tells us that she was given details about different subscriptions and high yield programmes and ended up investing most of her money. But when she tried to make a withdrawal Ms M was told she would have to make a further payment of £30,000 first.

Ms M enquired on the group chat and realised she was the only real person in the chat, at this point Ms M realised she had fallen victim to a scam.

Ms M has disputed the following payments made from her TSB account:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	3 April 2024	Ms M	Transfer	£5,000
2	3 April 2024	Ms M	Transfer	£10,000
3	3 April 2024	Ms M	Transfer	£2,000
4	9 April 2024	Ms M	Transfer	£16,000
5	15 April 2024	Ms M	Transfer	£4,000
6	16 April 2024	Ms M	Transfer	£4,300
7	21 April 2024	Ms M	Transfer	£3,500
8	22 April 2024	Ms M	Transfer	£4,100
9	22 April 2024	Ms M	Transfer	£4,500
10	22 April 2024	Ms M	Transfer	£4,000
11	24 April 2024	Ms M	Transfer	£3,000
12	25 April 2024	Ms M	Transfer	£3,000
13	1 May 2024	Ms M	Transfer	£2,200
14	2 May 2024	Ms M	Transfer	£3,500
15	2 May 2024	Ms M	Transfer	£3,000
16	8 May 2024	Ms M	Transfer	£2,500
17	8 May 2024	Ms M	Transfer	£2,600

18	10 May 2024	Ms M	Transfer	£3,000
19	10 May 2024	Ms M	Transfer	£2,500
20	11 May 2024	Ms M	Transfer	£4,600
21	14 May 2024	Ms M	Transfer	£3,000
22	14 May 2024	Ms M	Transfer	£2,000

Our Investigator considered Ms M's complaint and didn't think it should be upheld. Ms M disagreed, so this complaint has been passed to me to decide.

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.

It has not been disputed that Ms M has fallen victim to a cruel scam. The evidence provided by both Ms M and TSB sets out what happened. What is in dispute is whether TSB should refund the money Ms M lost due to the scam.

Recovering the payments Ms M made

The payments Ms M made in relation to the scam were sent from her TSB account to an account in her name held with another provider. As the payments were made to an account in her name, that was within her control, and it took further steps for those funds to end up in the hands of the scammer. Any funds that remain in Ms M's other account would remain in her control and TSB would not be able to recover any funds that have been moved on from that account.

Should TSB have reasonably prevented the payments Ms M made?

It has been accepted that Ms M authorised the payments that were made from her account with TSB, albeit on X's instruction. So, the starting point here is that Ms M is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether TSB should have been aware of the scam and intervened when the disputed payments were made. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Ms M made in relation to the scam from her TSB account were made to another account in her own name with another provider. Making payments between accounts in the same name generally carry a low risk. However, some of the payments Ms M made were significant in value and I think it could be argued that TSB should have recognised a risk and intervened. However, I don't think this would have made a difference, I will explain why.

On 30 March 2024 before any of the disputed payments left Ms M's account with TSB, she attempted to make a payment to a cryptocurrency provider, this payment was blocked, and an explanation was provided to Ms M that due to the high risk of fraud associated with cryptocurrency TSB no longer facilitates those transactions.

On 3 April 2024, again before any of the disputed payments were made Ms M went into a branch to make a payment from one account to another which caused suspicion. Ms M was required to sign a declaration form confirming she understood the risk associated with the

payment and that she had received a warning from TSB but still wanted to proceed.

Later the same day Ms M attempted to make a payment from her account in relation to the scam. The payment was flagged with TSB and a conversation about the payment took place via phone. TSB has provided a copy of the call to us.

During this call an incorrect reason for the payment was fabricated. Ms M explained she was volunteering abroad for the second year with a charity providing toys to children. TSB explained that the business Ms M was attempting to pay was showing as dissolved on companies' house. This payment was eventually rejected by TSB.

Despite this payment being declined and a clear warning being provided to Ms M she was still adamant to make payments in relation to the scam and started making multiple smaller payments to an account in her name with another provider, that were then forwarded to the scammer.

Before payments could be made from Ms M's other account in relation to the scam that provider intervened. Ms M provided inaccurate information again and stated she was making a payment to purchase goods and Ms M even provided a fake invoice to the other provider to support the false information she was providing.

It's clear from all the information available that Ms M was taken in by X and was willing to take its advice providing dishonest information to multiple banks to make payments in relation to the scam, even when she was warned about some of the potential risks.

So even if TSB had intervened on any of the payments that have been disputed, I think it's likely Ms M would have provided false information as she did with the other provider and TSB.

Ms M says TSB should have done more to protect her. But providing false information would have made it very difficult for TSB to uncover the scam that was taking place, and even if it had Ms M has demonstrated that she was willing to evade TSB's efforts and make the payments from other accounts she held elsewhere. With the above in mind, I don't think TSB missed an opportunity to prevent the scam and it is not responsible for Ms M's loss.

My final decision

I don't uphold this complaint.

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

Terry Woodham
Ombudsman