

The complaint

Miss M complains that Bank of Scotland plc ('Bank of Scotland') hasn't refunded the money she lost to an authorised push payment ('APP') visa application scam.

Miss M referred her complaint to this service with the help of a professional representative. However, for ease of reading, I'll refer only to Miss M throughout my decision.

What happened

In February 2024, Miss M instructed a third party to arrange a job for her, along with a visa and certificate of sponsorship. Miss M sent £1,000 on 29 February 2024 and another £1,000 on 1 March 2024 from her Bank of Scotland account. She also sent £4,500 from her account with another of her banking providers. Unbeknownst to Miss M at the time, the third party was a scammer who stole her money.

As Miss M didn't receive what she paid for, she made a complaint to Bank of Scotland and asked for a refund of the money she'd lost. Miss M argued that Bank of Scotland should've intervened when she made two £1,000 payments within 24 hours and that she'd acted reasonably when making the payments. Miss M also argued that at the time of the payments, she was vulnerable to visa application scams and therefore unable to protect herself from the scammer.

Bank of Scotland declined to reimburse Miss M and it was unable to recover her funds from the beneficiary account (the account she sent the funds to). Unhappy with Bank of Scotland's response, Miss M referred her complaint to this service.

Our Investigator considered the complaint, but didn't uphold it. In summary, they weren't persuaded Bank of Scotland could reasonably be held responsible for Miss M's loss and so they didn't recommend that Miss M should be reimbursed.

Miss M didn't accept our Investigator's opinion. As an agreement couldn't be reached, the 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.

At the time of Miss M's payments to the scammer, Bank of Scotland was signed up to the Lending Standards Board's Contingent Reimbursement Model ('CRM') Code, which required firms to reimburse customers who'd been the victims of APP scams in all but a limited number of circumstances.

R2(3) of the CRM Code says a firm should reimburse a vulnerable claimant *“if it would not be reasonable to expect that Customer to have protected themselves, at the time of becoming victim of an APP scam, against that particular APP scam...”*. Miss M has argued that she was vulnerable to visa application scams because her student visa was due to expire in April 2024; she needed to remain in the United Kingdom ('UK') to find a job to financially support her family; and she wasn't familiar with UK employment and visa regulations and procedures.

I appreciate Miss M's student visa expiring will have created a sense of urgency and that she felt a great deal of responsibility for providing for her family. I also accept that she might not have fully understood the application process for a new visa and certificate of sponsorship. However, whilst I can understand why Miss M thinks she was vulnerable to visa application scams, I'm not persuaded that she was.

Miss M had already been through a UK visa application process, when she successfully obtained and subsequently renewed her student visa. So, whilst she might not have been familiar with the specific process she needed to complete to obtain a job offer, certificate of sponsorship and a visa in February 2024, she'd already demonstrated an ability to overcome a similar knowledge gap. She's also explained that the scammer charged her a lot more than it would've cost her to have gone through the process independently and I think this indicates Miss M had the ability to research the process herself and identify the cost implications, demonstrating she wasn't unable to protect herself.

Miss M would've known when her visa was due to expire and so there wasn't a sudden and unexpected need for her to obtain a new visa. She'd also first made contact with the scammer in January 2024, when there was still several months remaining on her student visa. I accept that Miss M's family were depending on her to get a job so she could help support them financially. But I'm not persuaded this sense of responsibility combined with the other personal circumstances at the time left her reasonably unable to protect herself from the scam. As a result, I'm not of the opinion that Miss M was vulnerable under the CRM Code and Bank of Scotland therefore doesn't need to automatically reimburse her.

However, to refuse to reimburse Miss M, Bank of Scotland does need to demonstrate that one of the exceptions to reimbursement applies. In this case, Bank of Scotland has argued that Miss M didn't have a reasonable basis for believing that the scammer was legitimate (R2(1)(c)(iii) of the CRM Code).

The scammer was the boyfriend of Miss M's friend, and it was Miss M's friend that made the introduction. As Miss M had known her friend for approximately two years, she wouldn't have been expecting to fall victim to a scam. However, whilst I'm sure this personal recommendation would've been persuasive to Miss M, I'm not persuaded she had a reasonable basis for believing the scammer was legitimate.

Miss M was told the scammer was a professional in visa applications, but Miss M wasn't provided with any evidence to corroborate this claim. She was aware that the scammer was charging her significantly more than it would've cost to apply herself, which should've given her cause for concern that something wasn't right. Miss M didn't receive any paperwork setting out her agreement with the scammer or the job opportunity that had allegedly been arranged for Miss M. She doesn't appear to have provided a C.V. to demonstrate her suitability for the job role, or personal information (such as her passport details) so that a visa application could be completed.

Aside from the personal recommendation, I haven't seen anything that ought to have given Miss M a belief that the scammer was legitimate, or evidence to suggest they had done anything to justify Miss M sending £6,500 at the time the payments were made. As a result, I'm not satisfied Miss M had a reasonable basis for belief that the scammer was legitimate and Bank of Scotland can, fairly, decline to reimburse her under the CRM Code.

Miss M has argued that Bank of Scotland reasonably ought to have been concerned by the payments she made and that it should've provided appropriate warnings and questioned her through human intervention about the payments before releasing her funds. So, I've considered whether Bank of Scotland reasonably should've done more.

The first scam payment wasn't unusual or out of character. Miss M had a history of making faster payments and the amount of £1,000 wasn't so remarkable that Bank of Scotland reasonably ought to have been concerned that she was at risk of being scammed. I appreciate the payment was funded by an incoming credit the same day and the funds were forwarded to a new payee. However, I'm not persuaded Bank of Scotland needed to provide a warning or speak to Miss M, as the payment didn't demonstrate a fraud risk.

I accept Miss M deposited more funds into her Bank of Scotland account the following day and immediately sent these on to the scammer. However, this payment activity wasn't out of character for Miss M. Prior to the scam, she regularly deposited funds or had funds paid into the account, which were quickly moved on the same day. So, it wasn't unusual for Miss M to credit the account and immediately withdraw the funds. As a result, I don't think there was a fraud risk when the second payment was made, and I wouldn't have expected Bank of Scotland to have provided a warning or questioned Miss M about the payment.

I appreciate Miss M has fallen victim to a cruel scam and been taken advantage of. Whilst I have natural sympathy for her, I'm not persuaded Bank of Scotland reasonably could've prevented the scam, nor do I think it needed to reimburse her loss under the provisions in the CRM Code.

Miss M didn't report the scam to Bank of Scotland until after the beneficiary account had been closed. So, there was nothing Bank of Scotland could've done to recover the loss either.

In summary, I'm not persuaded Bank of Scotland should've prevented the scam or could've done anything to recover Miss M's loss. And, as I've set out above, I don't think Bank of Scotland can be held responsible for refunding the money Miss M lost. As a result, I'm not recommending that Bank of Scotland needs to do anything to resolve this complaint.

My final decision

For the reasons explained above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 30 October 2025.

Liam Davies
Ombudsman