

The complaint

Mr I complains that Metro Bank PLC won't refund the money he lost as the result of a scam. He's been represented in his complaint by a firm of solicitors.

What happened

The background to the scam is well known to the parties, so I'll simply summarise it here. Briefly, Mr I received a phone call from someone claiming to be a representative of a company, which I'll refer to as "Q". They said they'd found Mr I's phone number on a job search website. Unfortunately the caller ultimately turned out to be a scammer, and I'll refer to them as "the scammer" in this decision, even though I appreciate that Mr I didn't realise that was who he was dealing with at the time.

The scammer told Mr I that he could make good profits from investing in cryptocurrency. On the scammer's invitation, Mr I joined a social media chat group, which provided details of apparent cryptocurrency investment opportunities, and guidance on how to invest. Members of the group shared success stories about their investments, and Mr I says this encouraged him, and reassured him that the investment opportunity was genuine.

On the scammer's instruction, Mr I set up an account on a cryptocurrency platform. He was told he'd need to transfer money into his cryptocurrency wallet, and then transfer it to the scammer. He'd then be paid commission for completing tasks. After an initial payment of £2 on 12 April 2024, which was returned the same day, Mr I made the following payments to his cryptocurrency wallet as part of the scam:

	Date	Time	Method	Amount
1	15 April 2024	12:43	Debit card	£34.76
2	15 April 2024	12:51	Debit card	£4.14
3	19 April 2024	11:38	Debit card	£745.87
4	19 April 2024	20:36	Debit card	£1,599.29
5	19 April 2024	21:59	Faster payment	£1
6	19 April 2024	22:07	Faster payment	£4,430
7	20 April 2024	06:32	Faster payment	£30
8	22 April 2024	00:12	Faster payment	£4,500
9	22 April 2024	13:14	Faster payment	£4,500
			Total	£15,845.06

Mr I also made a payment of £4,500 on 19 April. But that amount was quickly received back the same day, and Mr I used the money to fund a payment of the same amount to the scam a couple of days later. So to keep things as clear and simple as possible, I haven't included the first £4,500 payment in the table, as Mr I only suffered the loss of that payment once.

It initially looked as if Mr I was generating a healthy profit from his investment. But when he wanted to make a withdrawal, the scammer told him he'd need to pay in further money. He says that when he refused to make any further payments, the scammer stopped communicating with him and he realised he'd fallen victim to a scam.

Metro wasn't willing to refund the money Mr I lost. It said this was because he'd sent the money to an account in his own name, and the loss occurred at a later stage, when the funds left Mr I's cryptocurrency wallet.

One of our investigators considered the complaint and thought it should be upheld in part. In summary, she thought that Metro ought to have spotted that payment 6 (as shown in the table above) was out of character for Mr I. And she thought that if it had intervened appropriately, he wouldn't have made that payment or any further payments to the scam. But she thought Mr I should share the responsibility for his loss with Metro. This was, among other things, because he was promised unrealistic returns and didn't do enough to check that Q was legitimate before he sent the payments.

So the investigator said that Metro should refund 50% of the payments Mr I made from payment 6 onwards, with interest on the refund.

Metro didn't agree with the investigator's view, so the complaint's been passed to me.

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's not in dispute that Mr I has fallen victim to a cruel scam, and I was sorry to learn of this. It's also common ground that the payments made to the scam were 'authorised'. Mr I knew he was sending money to his own cryptocurrency account. So even though he didn't intend the payments to end up with a fraudster, they were 'authorised' under the Payment Services Regulations. Metro had an obligation to follow the payment instructions it received, and Mr I is presumed liable for his loss in the first instance. But that's not the end of the story.

The payments were all to an account in Mr I's name, so the principles of the Contingent Reimbursement Model don't apply in this case.

In deciding what's fair and reasonable, I'm required to take into account relevant law and regulations, regulators' rules, guidance, standards and codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Taking those things into account, I think that at the time the payments were made, Metro should have been doing the following to help protect its customers from the possibility of financial harm:

- monitoring accounts and payments to counter various risks, including fraud and scams;
- keeping systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things) – especially given the increase in sophisticated fraud and scams in recent years, with which financial institutions are generally more familiar than the average customer;
- acting to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams, and by ensuring that all aspects of its products, including the contractual terms, enabled it to do so;

- in some circumstances, regardless of the payment method used, taking additional steps or making additional checks before processing a payment or, where appropriate, declining to make a payment altogether; and
- being mindful of -among other things – common scam scenarios, how fraudulent practices were evolving (including, for example, the common use of multi-stage fraud by scammers, and the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers when deciding whether to intervene.

I acknowledge that Mr I's loss didn't arise directly from the payments he made from his Metro account. All the payments were for the purchase of genuine cryptocurrency, and the loss, as Metro has pointed out, occurred at a later stage. But even so, there might have come a point at which I'd have considered that Metro should have taken a closer look at the payments, given the significant risk of fraud associated with cryptocurrency investments at the time.

Mr I's account with Metro had been open for around five months when he started making the payments to the scam. I acknowledge that the payments of £745.87 and £1,599.26 were significant amounts of money, and were more substantial than the payments Mr I had typically made from the account. But there's a balance to be struck. Banks have obligations to be alert to fraud and scams and to act in their customers' best interests, but they can't reasonably be involved in every transaction. I think it was reasonable of Metro to consider a range of factors when deciding whether to take any additional steps before making the payments.

I've borne in mind that it wasn't uncommon for people to make payments to cryptocurrency providers as part of a legitimate investment. And even though Mr I hadn't previously sent payments to cryptocurrency providers from his Metro account, I don't consider that any of payments 1 to 5 were so high that I'd have expected Metro to be concerned about them based on their size alone.

However, payment 6, for £4,430, marked a significant step up, and was made only an hour and a half after the £1,599.26 payment which was also to cryptocurrency. Mr I's statements don't show any payments to cryptocurrency providers before he started investing in the scam. Overall, I think that the size, timing and destination of the payment, taken together, should have been enough to indicate to Metro that Mr I might be at risk of financial harm from fraud.

Bearing in mind the risk that I think should have been apparent to Metro, I think it should have asked Mr I questions about the payment, to establish what type of scam risk he might be facing. Such questions would likely have revealed that Mr I had been cold-called about a job opportunity which involved making investments in cryptocurrency. And I think Metro should then have explained the way job scams and cryptocurrency investment scams typically worked.

Of course, I can't be absolutely sure that Mr I would have answered truthfully if Metro had asked him the sort of questions I think it should have done. In cases where the evidence is incomplete or inconclusive, I need to make my decision based on the balance of probabilities – in other words, what I think is more likely than not would have happened.

Mr I says the scammer told him that if his bank asked him what the payments were for, he should say that they were part of an investment for a job opportunity. I've seen nothing to make me think that Mr I would have given Metro a different story if he'd been asked. And I think it more likely than not that if Metro had outlined the key features of typical job scams and cryptocurrency investment scams, Mr I would have realised that the way the scammer was operating fitted with what he was being told. So I think it unlikely that he'd have gone straight ahead and made the payment.

If Mr I had carried out some basic research into Q, I think he'd have come quite quickly to the conclusion that the opportunity wasn't genuine, and so wouldn't have made any further payments.

Should Mr I bear some responsibility for his loss?

Mr I told Metro he'd been looking online for a remote job, so the approach from Q, which said it had found his details on the job search website he used, felt genuine. But when he brought his complaint, he said he'd subsequently discovered that Q was unregulated and used imitations to appear legitimate. I've commented that if Metro had warned Mr I appropriately about payment 6, he'd likely have looked further into Q, and wouldn't have made any further payments as a result of what he discovered. However, I consider that it would have been sensible of Mr I to do this right at the beginning, before he started making payments to the supposed investment.

I also think Mr I might reasonably have been expected to question why he was required to make payments in order to be able to carry out tasks. That's not the way jobs usually work, whether carried out remotely or in person.

What's more, I can see that Mr I told Metro that the scammer promised him a return of £700 to £5,000 per week. Even acknowledging that Mr I was inexperienced, I think he could reasonably have been expected to question whether returns towards the upper end of that range were too good to be true.

So taking everything into account, I don't think it would be fair to hold Metro responsible for the whole of Mr I's loss. I've said that proportionate action on Metro's part would likely have led to Mr I not making payments 6 to 9. But like the investigator, I consider that Mr I should bear responsibility for 50% of his loss on those payments.

Finally, I've thought about whether Metro did enough to try to recover the money. Although Mr I used his debit card to make some of the earlier payments, payments 6 to 9, were made by faster payment. So a chargeback claim wouldn't have been an option for those payments. Given that the payments were made to an account in Mr I's control, and Mr I had told Metro that he'd forwarded them on as part of the scam, I wouldn't necessarily have expected Metro to contact the payee's account provider to see if any funds remained. As it was, Metro did contact the payee account provider, but despite multiple chasers from Metro, it didn't respond. And I don't think there was anything more that Metro could reasonably have been expected to do to recover the money.

Putting things right

To put things right, Metro Bank PLC should:

- Refund £6,730 to Mr I, being 50% of payments 6 to 9 (as shown in the table above); and
- Pay simple interest at 8% on the refund from the dates Mr I made the payments to the date the money is refunded.

If Metro deducts tax from the interest, it should give Mr I a tax deduction certificate, so that he can reclaim the tax from HMRC if appropriate.

My final decision

My decision is that I uphold this complaint in part. I require Metro Bank PLC to put things right by doing as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 8 October 2025.

Juliet Collins

Ombudsman