DRN-5515465

The complaint

Mr A complains The Royal Bank of Scotland Plc (RBS) is refusing to refund him the amount he lost as the result of a scam.

Mr A has previously been represented by a third party. To keep things simple, I will refer to Mr A 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, Mr A has told us that he was contacted by a recruitment company via email. Mr A says he had previously submitted his details online as he had been looking to generate an additional income.

Mr A was offered a remote working role with a company I will call "X" rating and reviewing various products via an online marketplace. Mr A was provided with a link to what appeared to be X's website. Mr A says the website appeared professional and genuine; it didn't cause him to have any concerns.

Mr A says that before he agreed to work for X, he did some online research that appeared to support X being a genuine business.

Mr A was required to carry out multiple tasks but soon found that the tasks he was required to complete were locked and required a payment to be unlocked before they could be completed. Mr A was told he would need to pay £40,000, but when he explained he didn't have the funds available X agreed to pay half of the cost.

After making multiple payments as requested by X, Mr A made a withdrawal from his X account but the funds were never received, Mr A then visited X's reported trading address in London where he found he had fallen victim to a scam.

Mr A has disputed more than 100 payments made from his RBS account over a period of six months. Given the number of payments made I have not listed them all here, but they mostly consist of relatively small value payments made by transfer to purchase cryptocurrency that was forwarded as part of the scam, or to Mr A's account at another provider from which the funds were also sent on as part of the scam.

Mr A had listed some payments that appeared to have been made from his account before his communications with the scammer. I have not considered those payments when forming my decision.

Our Investigator considered Mr A's complaint and didn't think it should be upheld. As Mr A didn't agree, 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 Mr A has fallen victim to a cruel scam. The evidence provided by both Mr A and RBS sets out what happened. What is in dispute is whether RBS should refund the money Mr A lost due to the scam.

Recovering the payments Mr A made

Mr A made the payments into the scam via transfer and card.

As the payments Mr A made went to either an account in his own name at another provider or were made in exchange for cryptocurrency that was provided to him, and it took further steps for those funds to end up in the hands of the scammer any attempts by RBS to recover the funds would have limited prospect of success. However, I can see that RBS did reach out to the operators of the recipient accounts and was able to recover £857.02 that has been credited to Mr A's account.

Should RBS have reasonably prevented the payments Mr A made?

It has been accepted that Mr A authorised the payments that were made from his account with RBS, albeit on X's instruction. So, the starting point here is that Mr A 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 RBS should have been aware of the scam and intervened when Mr A made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

Although most of the payments Mr A made in relation to the scam were for relatively low values. Mr A did, on occasion make multiple payments in the same day, and made a significant payment on 14 December 2023 for the value of £7,450 to a cryptocurrency exchange. Considering the risk associated with this payment I think RBS should have intervened and discussed the payment with Mr A. But I don't think this would have made a difference. I will explain why.

RBS has explained that each time Mr A made a payment to a new payee he would have been required to give a payment reason, and warnings would have been provided inline with the payment reason provided.

In addition to the limited interventions provided by RBS Mr A also made payments in relation to the scam from an account he held with another provider.

The other provider did intervene when Mr A made some of the payments. On several occasions Mr A discussed payments with the provider via its in-app chat facility. Mr A confirmed he was simply buying cryptocurrency via a cryptocurrency exchange and he was not planning on sending the funds onward he also confirmed there had been no third-party involvement.

In addition to the conversations that took place above, and the incorrect responses Mr A provided; Mr A was also required to give a payment purpose when making the payments on no less than 8 separate occasions.

On each occasion Mr A gave an incorrect reason for the payments despite an option of “as part of a job opportunity” being available. Mr A then understandably received warnings based on the incorrect information he had provided.

Considering the interventions provided by the other provider and the incorrect responses provided by Mr A I don’t have enough to say that Mr A would have provided any more honest responses had RBS intervened in the way I have said it should have above.

So, I don’t think RBS missed an opportunity to prevent the scam and it is not responsible for Mr A’s loss.

My final decision

I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr A to accept or reject my decision before 3 October 2025.

Terry Woodham
Ombudsman