

The complaint

Miss B is unhappy Metro Bank PLC will not refund the money she lost as the result of an APP (authorised push payment) scam.

Miss B brought her complaint to this service through a representative. For ease of reading, I will refer solely to Miss B in this decision.

What happened

As both parties are aware of the details of the scam, I will not repeat them in full here. In summary, Miss B fell victim to a job/task scam. She was offered the opportunity to complete tasks online (reviewing consumer goods to improve their ratings) to earn commission. She was told that to access the tasks she first needed to deposit funds. She did so, sending the faster payments below via a clearing bank to a digital wallet the scammer had instructed her to open at a cryptocurrency exchange. From that wallet she moved the cryptocurrency on to the scammer's wallet.

payment	date & time	value in £
1	11 January 2025 5:06pm	10
2	11 January 2025 5:13pm	900
3	11 January 2025 5:15pm	900
4	11 January 2025 5:16pm	900
5	11 January 2025 5:16pm	400
6	12 January 2025 5:28pm	900
7	12 January 2025 5:28pm	900
8	12 January 2025 5:28pm	900
9	12 January 2025 5:29pm	900
10	12 January 2025 5:29pm	900
11	12 January 2025 5:30pm	785
12	13 January 2025 12:40pm	900
13	13 January 2025 12:40pm	900
14	13 January 2025 12:41pm	900
15	13 January 2025 12:41pm	900
16	13 January 2025 12:42pm	900
17	13 January 2025 12:42pm	700

Miss B says Metro Bank did not do enough to protect her money. Metro Bank says Miss B moved the money to an account in her own name that she had control of – it was not the point of loss in this scam.

Our investigator said Metro Bank ought to have intervened at the time of payment 8 and had it done so it would most likely have broken the spell of the scam. But as Miss B could also have done more to prevent her loss the bank should refund 50% of the loss from payment 8

onwards.

Miss B accepted this assessment, but Metro Bank did not. It asked for an ombudsman's review saying it should not be held liable in these types of cases where the account holder has sent funds to another account in their name.

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.

First, in response to Metro Bank's argument that it was not the point of loss, I am satisfied based on the available evidence that it has a case to answer here. In the circumstances of this case, which can be characterised as a continuous scam without a break in the chain of causation, I am satisfied that the acts and/or omissions of Metro Bank can fairly be considered when deciding liability for the loss. I accept that Miss B had control of the account that the payments were made to. However, the transfers were made at the behest of the scammer and given the chronology of the payments in the journey of the scam, it is reasonable to assess Metro Bank's role. There was no new, intervening act that prevents me from fairly making this conclusion. Plus, it is with Metro Bank that Miss B's dissatisfaction lies as she believes it ought to have protected her in the first instance.

There's no dispute that Miss B made and authorised the payments. I don't dispute Miss B was scammed and she wasn't making the payments for the reason she thought she was, but I remain satisfied the transactions were authorised under the Payment Services Regulations 2017. However, it doesn't end there.

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider that by January 2025 Metro Bank should fairly and reasonably have:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had 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). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving, including the use of multi-stage scams involving cryptocurrency, and the different risks these can present to consumers, when deciding whether to intervene.

In this context I find Metro Bank can be held liable in part for Miss B's loss from payment 8 onwards. I'll explain why.

Miss B had recently set up the recipient account as a new payee and by payment 8 there had been two instances of Miss B making repeated same-value payments in very rapid succession (3 to 5 and 6 to 8). This was out of character for Miss B's account, I have found no similar behaviour in the previous 12 months, and it is a pattern typical of scam activity.

So, I think Metro Bank ought to have identified there was a risk of financial harm and intervened to investigate. It says Miss B saw a warning when she set up the new payee that advised her to do her own due diligence, but this in no way goes far enough. That was in response to setting up the new payee, and not in response to the unusual and suspicious pattern of spend.

By January 2025 I would have expected Metro Bank's intervention to take the form of a series of questions to establish the actual scam risk allowing it to then give a tailored warning. The hallmarks of a job/task scam - such as being required to create fake reviews, being part of an 'employee' WhatsApp group, and paying money upfront to do a job - were present and a skilled fraud adviser would have recognised them. I have found no evidence that suggests to me that Miss B would not have answered honestly. I think Miss B would have listened to her bank had it provided a relevant warning.

This means I find it is fair to hold Metro Bank liable in part for the losses from payment 8 onwards.

Should Miss B bear some responsibility for the overall loss?

I've considered carefully whether Miss B should hold some responsibility for her loss by way of contributory negligence. Accepting that she is not the fraud expert - that is the role of Metro Bank, I do think she missed some clear signs that the opportunity might not be legitimate.

Having to pay money upfront to do a paid job is unusual and should have raised Miss B's suspicions, particularly as it seems Miss B had no contractual terms of employment to review and accept, nor was there any documentation setting out the terms of the upfront payments. And to have to make such payments in cryptocurrency should also have been a red flag. The role requirements were also questionable as Miss B knew she would be generating fake reviews. On 11 January 2025 Miss B expressed concern that she hadn't had the chance to withdraw her commission before being plunged into a negative balance, yet she continued to send funds.

In the round, I have not seen that Miss B carried out an adequate level of independent checks to address any of these anomalies before going ahead. It follows I think the parties are equally liable.

I am therefore instructing Metro Bank to refund 50% of Miss B's loss from payment 8 onwards. To clarify, the credits listed in the investigator's payment table were the funds Miss B used to fund the scam payments she made, not payments she received back from the scam. I have not found any evidence she received any credits back to her Metro Bank account that need to be offset against her losses.

Did Metro Bank do what it should to try to recover Miss B's money?

As Miss B knows, she moved the funds from her digital wallet on to the scammer's so there was no reasonable prospect that Metro Bank would be able to recover any of the funds from the beneficiary account. This means I can't say there was any failing in this regard on Metro Bank's part.

Putting things right

- Metro Bank must refund 50% of payments 8 to 17 to Miss B.
- Payments 8 to 11 – these were wholly funded by Miss B so Metro Bank must add 8% simple interest from the date of payment to the date of settlement (if it deducts tax

from this interest, it should provide Miss B with the appropriate tax deduction certificate).

- Payments 12 to 17 - prior to payment 12 Miss B borrowed £4,600 from a family member. She has not repaid this loan. The loan funded 88% of payments 12 to 17. As the family member is not party to this complaint, I cannot award them compensatory interest on their loss. Therefore, Metro Bank need add interest on the same basis as set out above to only 12% of this part of the refund.

I have found no grounds to award the £300 compensation Miss B requested.

My final decision

I am upholding Miss B's complaint in part. Metro Bank PLC must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 2 December 2025.

Rebecca Connelley
Ombudsman