

The complaint

Mr N complains Clydesdale Bank PLC, trading as “Virgin Money”, failed to protect him from financial harm which resulted in a loss when he fell victim to an investment scam.

Mr N has appointed a professional representative who has brought this complaint on his behalf. However, for ease, I will simply refer to “Mr N” throughout my decision, even when referring to submissions made by his representative.

What happened

The facts of this complaint are well known to both parties, so I see no need to repeat them in detail here.

In short, Mr N says he spoke to someone on Telegraph and over the phone who he thought was from a legitimate cryptocurrency investment company. Mr N says he was given login details to a personal trading account with their trading portal which he could use to monitor his investments. He also says the scammers installed remote access software on his device. Mr N says he paid £27,975 to this scam from his Virgin Money account and recovered £975. Mr N says Virgin Money should’ve done more to protect his money.

The transactions Mr N says were paid as part of the scam from his Virgin Money account are as follows:

Payment	Date	Beneficiary	Amount
1	01/07/2023	Mr N	£10,000
2	06/07/2023	Mr N	£975
3	17/07/2023	Mr N	£17,000

Virgin Money says the funds sent from Mr N’s account were sent to an established beneficiary, which was to another bank account in Mr N’s name. So Virgin Money says there was nothing that caused any alarm here. It also argues that as the funds were not sent from Virgin Money to the scammer, it should not be held liable for any loss. For these reasons Virgin Money refused to refund any of the transactions Mr N claimed for.

Our investigator considered this complaint and decided not to uphold it. Ultimately, he wasn’t persuaded the loss claimed for was lost as a result of this scam, and so he didn’t think it would be fair to ask Virgin Money to refund any of the money. Mr N wasn’t happy with the outcome of this complaint, so it has been passed to me for a final decision.

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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail, than has been provided. I've focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I'm satisfied that I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

It is not in dispute that Mr N authorised the payment transactions in this matter. Generally, consumers are liable for payment transactions they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms/banks – such as Virgin Money – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions.

However, as outlined by the investigator in his view, we must first be satisfied that a scam has taken place before we can determine whether Virgin Money failed to protect him from the scam. The responsibility is on Mr N to provide evidence that a scam had taken place, and that the money he is claiming was lost as a result of him falling victim to this scam. But I am not persuaded by the evidence Mr N has provided that the money lost was because of this scam. I'll explain why.

Overall, there has been inconsistent and incomplete evidence surrounding the money Mr N has lost to the scam. Full cryptocurrency statements have not been provided, despite our numerous requests. I have seen evidence that the company Mr N has been in contact with is listed on the FCA website as a company likely to be operating a scam. But that's not what it's dispute here. What I am not persuaded by is that the funds listed above which Mr N sent to his other account were then all lost to this scam.

The statements from each of Mr N's account provided show funds being added to other accounts in Mr N's name and changed into cryptocurrency, but there is very little evidence that any of these funds were sent to an unknown third party. In fact, there is only one transaction which I can see is sent to an external wallet. So, this doesn't account for all the money Mr N is claiming for. A lot of the other outgoing payments from his accounts seem to be paid back into other accounts in Mr N's name. Mr N has also recently said that some of the payments originally complained about were actually payments in relation to another scam, one which he has not provided any details of. Therefore, it's difficult for me to conclude that the payments Mr N is claiming from Virgin Money were lost as a result of this scam.

Mr N is unhappy with this finding and has insisted that he has lost this money to the scam he told us of. He says he has not been able to obtain any further statements as most of the other cryptocurrency accounts are now closed. And he says it's not fair he has been penalised for not being able to get these anymore. While I understand what Mr N has said, the first hurdle here in his complaint is proving that this money was lost as a result of a scam. And without that evidence I can't say Virgin Money should've done anything further.

However, even in the event that such evidence was provided, I am not satisfied that Virgin Money out to have done more in any case. I say this because, while the payments Mr N disputes are larger than the usual banking on this account, he was paying this money into

another account in his name, and this is an account that was established already. Mr N entered the purpose of the payment as “moving money to another account in my name.” And as such, this didn’t raise any red flags. The transactions in dispute were all made after an incoming payment of the same amount, so these payments didn’t deplete the account in the way Mr N is claiming. It also makes sense that Mr N was moving money he had just received into his preferred account. So, in this instance, I don’t think Virgin Money ought to have provided any scam warnings in relation to the movement of Mr N’s funds to another banking account in his name.

I know this outcome will come as a disappointment to Mr N, but for the reasons outlined above I am not persuaded that the payments Mr N made to another account in his name was then lost to the scam Mr N claims. So, I do not think it would be fair to hold Virgin Money liable for these payments.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr N to accept or reject my decision before 22 December 2025.

Sienna Mahboobani
Ombudsman