

The complaint

Ms B and Mr H complain that The Royal Bank of Scotland Plc (“RBS”), have failed to refund money that they say they lost as part of an investment scam.

What happened

Ms B and Mr H came across a company that purported to be an investment firm, but they say it was actually a scammer that I will call C. Ms B and Mr H were persuaded to make around 30 payments between September 2020 and December 2020 from their RBS account to a number of third-party firms totalling over £150,000, via debit card and one international transfer. The funds were then sent to C.

Ms B and Mr H raised a complaint with RBS, as they believed that it should have stopped them from making the payments in question.

One of our investigators looked into this matter and they did not uphold this complaint. They believed that Ms B and Mr H had not sufficiently demonstrated that they had been scammed and had not sufficiently demonstrated their loss.

Ms B and Mr H did not agree with these conclusions. So their complaint has been passed to me to issue 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

In broad terms, the starting position is that RBS is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that RBS should:

- 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;

- 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 – (as in practice RBS sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including 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.

The obligations I've outlined above are, however, predicated on there having been a fraud or scam. If Ms B and Mr H hasn't suffered a loss to a scam, then I can't say that RBS has acted unfairly or unreasonably by allowing the payments to be made. And I should explain, initially, that although Ms B and Mr H have described falling victim to a scam, the company that they said they were scammed by appears to be a legitimate firm.

I note that there is a FCA warning saying that it had been operating in the UK without being regulated. But this does not necessarily mean that the firm is a scam.

I also note that the funds were sent via a number of third-party companies. Some of which appear to be legitimate trading companies. The others I can find no details of. I accept that there are some poor reviews about C online, but any large company will have some poor reviews. The existence of some poor reviews online about C does not necessarily mean that they are not a legitimate firm.

I note that the website for C has now been removed. But this may just mean that C was a failed trading company, rather than it being set up as a scam. I also note that Ms B and Mr H's representatives have said that sending funds to multiple third parties is a sign that C is a scam firm. But there is very little to link the third parties to C or that show C told Ms B and Mr H to use all of these third parties to make the payments. I also can see that Ms B and Mr H's representatives have said that the scammer asked them to install remote access software. But again, I can't see the evidence of this and it seems odd that in the scam chat, the scammer is telling Mr H what to do, rather than taking control of his computer and doing it himself. So overall, I don't think that it has been sufficiently demonstrated that C is a scam firm.

Finally, even if I were satisfied that C was a scam, I have not been provided with sufficient evidence to demonstrate that all or most of the payments that Ms B and Mr H refer to were actually part of the scam. As I said before, some of the payments go to what appear to be legitimate firms - such as an overseas Gold investment firm. And there is nothing to demonstrate that all of the funds sent to these third-party companies were actually forwarded on to C. I accept that some of the chat suggests some funds were sent and received but, not for most of the transactions.

So overall, I don't think that it has been sufficiently demonstrated Ms B and Mr H have been scammed, nor have they been able to demonstrate the extent of the loss they say they have suffered. So I am unable to uphold this complaint.

I've also thought about whether RBS did enough to attempt to recover the money Ms B and Mr H say they lost. In this instance the transfer would not be covered by the Contingent Reimbursement Model ("CRM") as the payment was to an international account. Also, given the timescales involved, I don't think that RBS could have attempted to recover the funds from the beneficiaries account, as the funds would likely have been moved on. In relation to the debit card payments, the complaint was brought outside of the chargeback time limits. So I don't think the funds could have been recovered by chargeback either.

So overall, I don't think that RBS could have recovered any of the funds.

I appreciate this will likely come as a disappointment to Ms B and Mr H. However, I'm not persuaded that RBS can fairly or reasonably be held liable for the losses that Ms B and Mr H say they experienced in these circumstances.

My final decision

My final decision is that do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B and Mr H to accept or reject my decision before 12 February 2026.

Charlie Newton
Ombudsman