

The complaint

Mr A complains Bank of Scotland plc won't refund money he lost to an authorised push payment ('APP') scam.

What happened

The background to this complaint is familiar to both parties, so I'll only refer to some key events here.

Mr A says that in November 2022 he was tricked into sending money to what turned out to be an investment scam. Mr A explained the scam started when he received a cold call from what he understood to be a broker, which I'll refer to here as 'V'. Mr A says the scammer told him to set up an account with V, which he did while using remote access software.

On 2 November 2022, Mr A made a £5,000 payment to a wallet he held with a legitimate crypto exchange (which I'll refer to as 'C'), from his Bank of Scotland current account. He says that having purchased crypto he then withdrew it to a wallet address provided by the scammer.

Mr A said he was initially able to see the funds credit his account with V. He says he received daily calls from V keeping him updated on trading and could see his balance fluctuating. After some weeks, Mr A said V told him "*the market had lost all value*" and his money was lost.

Mr A said he rejected V's attempts to get more money from him. He also realised that this, plus previous investments which had followed a similar pattern, were likely all scams.

In November 2023 Mr A complained to Bank of Scotland that it should have done more to protect him from the risk of scams when processing his payments in relation to his investment with V and other scams. He asked that it refund his payments plus interest and pay him compensation. Bank of Scotland didn't uphold Mr A's complaint and refused to reimburse him for his loss. It explained it was satisfied it had intervened appropriately and made him aware of potential scams.

Unhappy with Bank of Scotland's answer, Mr A referred his complaint to the Financial Ombudsman Service. Our Investigator didn't uphold the complaint. Mr A disagreed and asked for an Ombudsman's final decision.

The complaint was passed to me to decide. As previously explained, while Mr A has asked the Financial Ombudsman to consider a complaint about four scams he fell victim to, I have decided that to reach a fair outcome it is necessary that we consider this as four separate complaints. As a result, in this complaint I will only be considering Bank of Scotland's actions in relation to the fourth scam, the circumstances of which I have outlined above. I have considered Bank of Scotland's action in relation to Mr A's other scam claims under separate complaint references.

I issued a provisional decision on 9 October 2025 setting out why I wasn't minded to uphold Mr A's complaint. For completeness, I repeat my provisional decision below:

"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 am not upholding Mr A's complaint. I realise this will come as a disappointment to Mr A, but for reasons I'll go on to explain, I'm not persuaded there is sufficient evidence to demonstrate that he has lost money due to a scam. But even if Mr A could further demonstrate his loss to a scam, I'm not persuaded Bank of Scotland ought reasonably to have prevented it. It would therefore not be fair or reasonable to hold Bank of Scotland responsible for Mr A's loss.

Despite my requests for further information, Mr A has been unable to provide clear persuasive evidence to demonstrate he has lost money to a scam. While he has provided some evidence of contact with V, it is not clear that this relates to his £5,000 payment to C. I have also not seen compelling evidence V was operating a scam. I'm not aware of any warnings published by the FCA or other relevant bodies indicating that it is a scam.

But even if I were persuaded Mr A lost money to a scam, I'm not persuaded Bank of Scotland ought reasonably to have intervened before processing his authorised payment.

In broad terms, the starting position in law is that a bank is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (2017) and the terms and conditions of the customer's account. But taking into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Bank of Scotland ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mr A's Bank of Scotland account and the payment he made to the scam. Having considered when it was made, its value (£5,000) and who it was made to, I'm not persuaded Bank of Scotland ought to have found the payment suspicious such that it ought to have made enquiries of Mr A before processing it.

By the time of Mr A's payment to C in November 2022, C was an established payee on the account. Mr A had made several payments to C since May 2021, including a £5,000 payment in November 2021 and a payment just under £5,000 in July 2022. While the earlier payments also related to alleged investment scams - which have been the subject of Mr A's other complaints - I have explained in other complaints why I would not have expected Bank of Scotland's intervention to have uncovered the scam or otherwise prevented Mr A's loss in relation to those payments. As such, I think Bank of Scotland could reasonably conclude that Mr A had previously made payments like the one he instructed on 2 November 2022, as part of his usual, and legitimate, account usage. As such, I would not have expected it to intervene and ask questions of Mr A before processing this £5,000 payment. This means I don't think there was any opportunity for Bank of Scotland to have prevented Mr A's loss.

I know Mr A will be disappointed by this outcome. But for the above reasons, I'm not sufficiently persuaded, from the information I've seen, that the disputed transactions were made as part of a scam. But even if it were, I'm not persuaded Bank of Scotland ought to have prevented Mr A's loss. It therefore follows that I don't think Bank of Scotland can be held responsible for Mr A's loss.

On a final note, I've considered whether, on being alerted to the alleged scam, Bank of Scotland could reasonably have done anything more to recover Mr A's claimed loss, but I don't think they could. The funds Mr A sent to C went to an account in his own name, and so I wouldn't reasonably expect recovery attempts in this situation (as Mr A had access to the funds himself)."

I asked that both parties respond to me by 23 October 2025 if they had any further comments or evidence for me to consider before reaching my final decision.

Mr A responded confirming he rejected my provisional decision. He did not provide any further evidence or arguments for my consideration. Bank of Scotland did not reply.

Given the deadline for both parties to respond has now passed, I think I can fairly reach a final decision in this case.

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.

As I have received no substantive responses to my provisional decision from either party, I see no reason to revisit my conclusions in detail here, save to say that my provisional conclusions still stand.

In summary, I haven't seen sufficient evidence to demonstrate Mr A has lost money to a scam. But even if Mr A could further demonstrate his loss to a scam, I'm not persuaded Bank of Scotland ought to have recognised his payment as sufficiently unusual or suspicious, such that it ought to have intervened before processing it. In the circumstances I can't hold Bank of Scotland liable for a loss it could not reasonably have prevented.

While I'm sorry to hear that Mr A believes he has lost money to a scam, I don't find there were any failings on Bank of Scotland's part that would lead me to uphold this complaint.

My final decision

For the reasons given above, my final decision is that I do not 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 21 November 2025.

Lisa De Noronha
Ombudsman