

The complaint

Mrs O has complained that TSB Bank plc won't refund the money she lost after falling victim to a scam.

What happened

In summary, in 2025 Mrs O was contacted by a scammer posing as a recruiter. They offered her a remote flexible job carrying out simple tasks for exceptionally high pay. But she had to pay in her own money in cryptocurrency to clear negative balances and earn commission.

Mrs O initially paid into the scam using a different bank account. After they blocked her from doing so, Mrs O made a transfer of around £3,700 from her TSB account instead. She paid it into her own crypto account, then bought crypto and sent it on to the scammer. TSB did speak to Mrs O about this payment, but she stuck to a cover story and went ahead.

In the end, Mrs O was asked for more and more money, and wasn't allowed to withdraw.

A few months later, Mrs O reported the scam to TSB via representatives. TSB didn't think they were liable for Mrs O's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mrs O's representatives asked for an ombudsman's final decision, so the complaint's 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.

I understand that Mrs O fell victim to a cruel scam, for which she has my sympathy. I also understand that she was going through a tough time more generally, and I'm grateful to her for being open with us about that. I appreciate that this scam cannot have been an easy matter for her to face, and I appreciate why she would like her money back. It's worth keeping in mind that it's the scammers who are primarily responsible for their own scam, and it's the scammers who really owe Mrs O her money back. But I can only look at what TSB are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold TSB liable for Mrs O's loss. I'll explain why.

It's not in dispute that Mrs O authorised the payment involved. So although she didn't intend for the money to end up with scammers, under the Payment Services Regulations she is liable for her own payment and the resulting loss in the first instance. And broadly speaking, TSB had an obligation to follow her instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

TSB should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them, though a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. Here, I think TSB should've asked Mrs O some questions and provided better warnings tailored to her answers, so I'm glad to see that they did intervene.

While I accept that TSB's intervention could've been better, they did ask some probing questions, and Mrs O was also spoken to by her other bank. However, Mrs O followed the scammers' instructions, stuck to a false story, and didn't heed the provided warnings. I can't see that TSB would've been aware of her other bank previously declining a payment, nor of the vulnerability that the representatives set out, so I don't see that they needed to stop the payment outright on those grounds. And in any case, from what I've been given, I'm afraid it looks like Mrs O was under the scammers' spell and was determined to make this payment. Indeed, even when her other bank blocked the payment outright, Mrs O just switched to using TSB to get around the block. I also see that she was in the process of opening two further accounts to get around any further prevention. So it doesn't seem likely that reasonable, proportionate intervention would've stopped the loss from this payment. It seems most likely that Mrs O would've gone ahead.

I've then considered what TSB did to try to recover the money after Mrs O told them about the scam. Given the date and recipient of the payment, it was not covered by any schemes like the CRM code or ASR rules. I'm afraid it wasn't possible for TSB to recover funds which Mrs O had already sent on in crypto from her crypto account. And any funds still remaining in Mrs O's crypto account were still available to her, so there was nothing more for TSB to do there either.

So while I'm very sorry to hear about what the scammers did to Mrs O, I don't think TSB can fairly be held responsible for her loss. And so I can't fairly tell TSB to reimburse Mrs O here.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 8 December 2025.

Adam Charles
Ombudsman