DRN-5796470

The complaint

Mr S complains that The Royal Bank of Scotland plc (RBS) didn't properly consider new evidence he gave it about a complaint it had previously looked at.

What happened

In April 2023, Mr S was looking for legal assistance and made a number of payments to a legal services company. Unfortunately, he then didn't receive the service he was expecting, so reported the payments he had made to RBS as a scam.

RBS investigated but didn't agree to refund him, so Mr S then brought a complaint to our service. One of our investigators looked at the complaint and said they thought this was a civil dispute between Mr S and the legal services company, rather than a scam. So they didn't think RBS should have to refund the money Mr S had lost and the complaint was closed in December 2023.

In March 2024, Mr S then contacted RBS about the complaint again, as he felt there was new evidence available which suggested he should now be refunded. RBS refused to consider the new evidence, so Mr S complained about this refusal.

RBS investigated this new complaint, and accepted that it should have considered the evidence and that its refusal to do so had caused Mr S inconvenience. It offered to pay Mr S £100 as compensation, but Mr S wasn't satisfied with this so referred this complaint to our service.

I sent Mr S and RBS a provisional decision on 11 July 2025, setting out why I intended to uphold the complaint in part. That provisional decision forms part of this final decision and is copied below:

"I think RBS should increase the offer of compensation it has made to Mr S for its failure to consider the new evidence he raised. But I don't think this new evidence is sufficient for his previous complaint to have been re-opened or for him now to be refunded for the money he sent to the legal services company. I'll explain why below.

Should RBS have considered the new evidence Mr S raised?

After his previous complaint was closed in December 2023, Mr S received an update from a local police force who was investigating the individuals involved in the legal services company. Mr S told our service about this and was told by our investigator that he could go back to RBS to see if it would reconsider his complaint. But when Mr S then contacted RBS about the new evidence in March 2024, it refused to consider his new evidence or re-open his previous complaint.

RBS has now accepted that it should have considered this new evidence, and I agree that it should have done so. It's not uncommon in cases like this where there is an ongoing investigation into the circumstances surrounding an issue or into one of the parties involved, that new information or evidence will become available as a result of that investigation. And I *don't think it would be reasonable for a bank to refuse to at least consider whether that information should impact a decision it has previously made.*

So I think RBS should have considered the new evidence Mr S raised.

As a result of its refusal to consider the new evidence, Mr S had to make a number of phone calls to RBS over the following months – and ultimately submit a complaint – in an effort to get the evidence considered. And having listened to recordings of these phone calls, I'm satisfied that having to make these efforts caused Mr S a significant amount of distress and inconvenience.

I don't think the £100 RBS paid Mr S as compensation is a fair and reasonable reflection of the distress and inconvenience he was caused – particularly given the number of calls he had to make and the frustration and upset the feeling of not being able to progress his scam claim and potentially missing out on another chance to recover the money he lost will have caused him. And so I think RBS should offer Mr S a further £200 compensation, as I think this more fairly reflects the distress and inconvenience its errors caused to him.

Should Mr S's previous complaint be re-opened?

While I think RBS should have considered the new evidence Mr S raised, this doesn't necessarily mean that I think his previous complaint should have been re-opened by our service or that he should now be refunded the money he lost.

Our service will only re-open a complaint where material new evidence that would likely affect the outcome of the complaint has been provided. But, from what Mr S has said, I'm not satisfied that is the case here.

Since the previous complaint was closed, Mr S has said he has now found out about other victims who also lost money to the legal services company. And he's spoken with the police, who are now investigating the company, and been given a crime reference number.

But while I appreciate Mr S's strength of feeling about what has happened to him, I don't think this new evidence is significant enough to likely affect the outcome of his previous complaint.

I don't think other people having also lost money to the legal services company necessarily means the company was operating a scam, as companies can lose money or fail to provide services they have agreed to for a variety of reasons. And, when companies fail, it can unfortunately often affect a number of people.

An ongoing police investigation also doesn't mean that any individual will ultimately be charged with wrongdoing or found guilty. And I haven't been provided with any evidence of any investigation by any external body which concludes that the legal services company was operating a scam or that anyone involved with it has been found guilty of any offense.

I'm sorry to disappoint Mr S, but I therefore don't think the new evidence he has raised is sufficient to either re-open his previous complaint or say that RBS should refund the money he lost."

I said I'd consider anything further Mr S and RBS submitted following the provisional 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.

RBS responded to the provisional decision saying that it agreed to pay the additional compensation. Mr S responded making a number of points, which I will address below.

Mr S initially provided a breakdown of the timeline of events across both this and his previous complaint, which I thank him for. The background I set out in both this decision and the provisional decision is intended as a summary of the key events and I appreciate that it does not include everything that has happened. But I am satisfied that it is accurate and includes the key events necessary for understanding the reasoning behind this decision.

Mr S then argued that RBS had failed to follow appropriate banking processes or notify appropriate authorities, and so had not done all it could to recover the money he had lost. And he mentioned information about the legal services company that RBS either was or should have been aware of. But while I recognise how strongly Mr S feels about what has happened here, these arguments all relate to whether RBS should have refunded or recovered the money he lost as a result of his payments to the legal services company – which was the subject of his previous complaint.

And, as I explained in the provisional decision, I don't think the evidence and information he has provided is significant enough to likely affect the outcome of his previous complaint. And so I still don't think his previous complaint should be re-opened or that RBS should be required to refund the money he lost.

I therefore still think the conclusions I set out in the provisional decision are correct. I think RBS should pay Mr S a further £200 compensation for the distress and inconvenience he was caused by the errors it made. But I don't think his previous complaint should be re-opened or RBS should be required to refund the money he has lost.

My final decision

For the reasons set out above, I uphold this complaint in part and require The Royal Bank of Scotland Plc to:

- Pay Mr S a further £200 compensation

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 2 October 2025.

Alan Millward
Ombudsman