

The complaint

Mr T complains that Brown Shipley & Co Limited won't refund the full amount of money he lost to a scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

From June 2023, Mr T sent several payments to what he thought was a legitimate investment and separately to someone he had met online. When Mr T realised he had been scammed, he logged a complaint with Brown Shipley & Co Limited.

Brown Shipley & Co Limited looked into the complaint but didn't uphold it. Mr T remained unhappy, so he brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator found the banks involved in making the payments to the scam intervened several times and Mr T wasn't accurate with the answers he gave. On this basis our investigator didn't think any of the businesses could have done any more to prevent the scam.

As Mr T didn't agree with the investigator's view, the complaint has 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'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied 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. This simply reflects the informal nature of our service as a free alternative to the courts.

Taking into account relevant law, regulator's 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 Brown Shipley & Co Limited should have had processes in place to protect Mr T and his money from possible financial harm.

In the circumstances of this complaint, given the value of the first payment Mr T made from his account with Brown Shipley & Co Limited, I'm satisfied it ought to have been concerned Mr T could be at risk of financial harm.

Given the amount, I'm satisfied a proportionate intervention would have been to call Mr T to ask him for information regarding the payment purpose and its surrounding circumstances. Then to provide a relevant warning with the intention of uncovering the scam. Here though I don't find it would have made a difference to Mr T making the payment, I'll explain why.

Mr T did have a conversation with his investment manager and when asked about the payment wouldn't divulge its purpose. Although I'm satisfied the questioning should have been more detailed, I'm not convinced Mr T would have given accurate answers to any further questioning based on what I've said in detail in Mr T's linked decisions.

Mr T was questioned several times, and given multiple warnings by his other banks, and not only did he not answer the questions accurately, but the warnings also didn't stop him sending the payments.

So overall I'm not convinced any intervention by Shipley & Co Limited would have stopped this scam. If Mr T had been questioned more thoroughly, I find it mostly likely that he would have turned to the scammer for advice and then given a convincing payment purpose that would have reassured the investment manager that he wasn't at risk.

As Mr T made the payment to other accounts in his name, no recovery would be possible in the circumstances.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 30 December 2025.

Tom Wagstaff
Ombudsman