

The complaint

Miss L complains that Metro Bank PLC have declined to refund her for funds she believes she lost to a scam. She'd like the funds returned to her.

Miss L has appointed representatives for this complaint, but for ease of reading I'll only refer to Miss L.

What happened

In 2018 Miss L met an individual I'll refer to as G. She says they discussed investment opportunities, where Miss L would invest in property developments. Miss L says she agreed to pay G for several deals, and says she was told G would then forward the funds to others involved in the development.

Miss L made four payments from her personal accounts totalling £32,500.

Date	Amount
27 January 2020	£2,500
27 January 2020	£6,000
12 August 2020	£19,000
22 October 2020	£5,000

Miss L says she received updates on the development, until it completed in January 2022. But after this G cut all contact with her. She found that G had not forwarded funds to the people she believed they would. She then contacted Metro to say she thought she'd been the victim of a scam and asked for reimbursement under the Lending Standard Board's Contingent Reimbursement Model (CRM) code.

Metro investigated what happened but didn't offer to reimburse her. They deemed the matter a civil dispute between Miss L and G and didn't see this was covered by the CRM code.

Dissatisfied this Miss L referred her complaint to our service. One of our investigators looked into what happened, but she wasn't persuaded that Metro have been unreasonable in deciding it was likely a civil dispute. She felt there wasn't enough evidence to show that G had intended to defraud Miss L.

Miss L disagreed, and as such 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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

In broad terms, the starting position at law is that a bank such as Metro is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account.

Metro are a signatory of the CRM Code which requires firms to reimburse customers who have been the victims of APP scams in all but a limited number of circumstances.

The relevant part of the CRM Code definition of an APP scam requires that the payment was made to: *"another person for what they believed were legitimate purposes but which were in fact fraudulent."*

The Code also explains that it does not apply to *'private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services, or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier'*.

Here Metro have reached the conclusion that this is rather a private civil dispute between Miss L and G.

The information about what Miss L did agree with G is limited, as she hasn't been able to provide any documentation or agreements as to the purpose of the payments. I acknowledge that a lot of the agreements were verbal, but it makes it very difficult for me to conclude that G was always intending on defrauding Miss L.

I have considered the messages Miss L has provided that show that individuals she expected to receive funds from G hadn't received them. But these messages are from a considerable time after the original payments. I've seen nothing to show that this was the agreement between Miss L and G at the time she sent the funds.

The payments reference the individuals but also include "finder's fees". This type of fee can often be paid for introductions. I don't see that it comes with an expectation of being passed on. So, without any contemporary evidence of what was agreed at the time, I can't conclude here that G was expected to pass on these funds and then didn't.

Considering the wider circumstances, Miss L has said she received updates on the development, and it was only several years later that G broke off contact. I would see it as unusual for a fraudster to continue a relationship well after they had received funds. And it's unclear why G broke off contact – Ms L has suggested this was because she asked for documentation on the expected payments. But there is a lack of evidence to support this.

I don't find there to be persuasive evidence that G set out with the intention of defrauding Miss L. And overall, I don't see that it's unreasonable for Metro to have concluded that this is a civil dispute between the parties, and to decline to refund under the CRM code.

Should any new material evidence come to light at a later date then Miss L may be able to ask Metro to reconsider her claim. But based on the evidence available, I don't see that they need to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or

reject my decision before 26 November 2025.

Thom Bennett
Ombudsman