

The complaint

Mr W complains that Metro Bank PLC ('Metro') won't refund the money he lost after falling victim to a scam.

What happened

In 2024, Mr W saw an advert which appeared to be taken from a well-known tv show, where the host was talking to a celebrity. The celebrity said they invested in cryptocurrency and made significant profit.

Mr W decided to invest with the company, I'll refer to the company as L. Unfortunately, the advertisement was fake, and it was a scam.

Initially Mr W made payments to a cryptocurrency exchange I'll refer to as C. Mr W didn't have access to this account, and the funds were moved from this account to his platform account with L by the scammers.

In January 2024, Mr W was told that L was modernising and had changed its name. As part of this, Mr W had to open a cryptocurrency wallet with a different cryptocurrency exchange, that I'll refer to as F. Mr W had control of this account, but the scammer moved the money to his platform account with L.

In February 2024, L's website went offline, and Mr W couldn't contact the scammers.

Ultimately, Mr W was unable to withdraw his investment.

Mr W was then contacted by a company who said they could recover his investment with L, for a fee. Unfortunately, this was also a scam.

These are the payments that Mr W made from his Metro account.

Date	Pmt	Details of transaction	Amount
9.1.2024	1	Payment to C	£2,500
11.1.2024	2	Payment to C	£20,000
13.1.2024	3	Payment to C	£17,000
		L changed their company name	
23.1.2024	4	Payment to F	£20,500
24.1.2024	5	Payment to F	£1,000
29.1.2024	6	Payment to F	£15,060
30.1.2024	7	Payment to F	£20,000
31.1.2024	8	Payment to F	£20,000
31.1.2024	9	Payment to F	£10,000
8.2.2024	10	Payment to F	£20,000
12.2.2024	11	Payment to F	£20,000
21.2.2024	12	Payment to F	£20,000

When Mr W wasn't able to recover his funds, he realised it was a scam and reported it to Metro. Metro looked into Mr W's fraud claim but declined to refund him, saying they weren't liable for his loss.

Mr W wasn't happy with Metro's response, so he brought a complaint to our service, using a professional representative.

An investigator looked into Mr W's complaint and recommended Metro refund 50% of all the payments Mr W made. The investigator felt Metro were liable as they should've intervened and uncovered the scam. But, as Mr W didn't do any checks before making the payments, he isn't entitled to a full refund.

Mr W accepted the investigator's view, but Metro didn't respond.

As the case couldn't be resolved informally, it has been passed to me to review.

Having reviewed the case, I reached the same outcome as the investigator, but with a slightly different redress recommendation. So, I issued a provisional decision explaining why and giving both parties a chance to respond before a final decision was issued.

My provisional decision

In my provisional decision I said:

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, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. It's not in dispute that Mr W authorised these payments, although he did so not realising he was the victim of a scam.

Payments one to three – Is Mr W entitled to a refund under the CRM Code?

Based on the evidence, I'm satisfied that it's more likely than not Mr W didn't have access to the account opened with C. Mr W has told us that he set up the account with F and had sole access to this account. But there is no evidence he had control of the account with C.

As Mr W didn't have control of the account with C, these payments are covered by the CRM Code.

The CRM Code requires firms to reimburse customers who have been the victims of APP scams like this in all but a limited number of circumstances. In this case, Metro haven't said that an exception to reimbursement applies, so Mr W is entitled to a full refund of these three payments.

Metro say they can't see what payment reason Mr W chose in making these payments, so they can't confirm what warning he was shown. But, taking into account the size of the payments two and three, and how out of character they were for Mr W's usual account

activity, I'm satisfied Metro should've provided an effective warning. But I'm not satisfied thought that Metro were required to provide an effective warning on the first payment, as it was significantly smaller than the other two payments.

So Metro should refund 100% of payments one to three.

Payments 4 to 12 – Is Mr W entitled to a refund?

These payments aren't covered by the CRM Code, however there is an expectation for Metro to be on the lookout for, and to protect its customers from, potentially falling victim to fraud or scams. This includes monitoring accounts and identifying suspicious activity that appears out of character. Where potential fraud is identified, I would expect Metro to intervene and attempt to prevent losses for the customer.

Based on the size of the payments, I would've expected Metro to have intervened and called Mr W to discuss payment two. Metro should've asked the reason for the payment, then asked follow on questions based on the answers Mr W gave. Mr W says he wasn't coached by the scammers in how to answer questions asked by the bank, so I think it's more likely than not he would've told Metro that he was making the payments as part of the investment.

I think probing by Metro would've uncovered how Mr W found the investment and the fact Mr W didn't understand how the investment worked. Combined with the fact that Mr W was making payment to cryptocurrency exchanges, I'm satisfied that Metro would've uncovered the scam and prevented Mr W's loss.

Payment two is covered by the CRM Code, but I'm satisfied that appropriate intervention on this payment could've prevented Mr W's loss on all the subsequent payments. On that basis, I'm satisfied it's fair for Metro to be liable for the loss Mr W suffered on payments four to 12. However, I also need to consider whether Mr W could've mitigated his loss in order to decide whether he should share responsibility for his loss on payments four to 12 with Metro.

Mr W says that he checked L on a well-known review site and saw positive reviews. However, he doesn't have evidence of this, and he didn't mention doing this check when he reported the fraud to Metro. Also, there are negative reviews posted on this website about L in the same month that Mr W made his payments. These reviews say that investors have been unable to withdraw their funds and suggest that L is a scam.

Mr W isn't sure what return he was promised, and I'm not satisfied that he understood how the investment worked. Mr W doesn't know why he had to open accounts with two cryptocurrency exchanges, or why he wasn't making payments directly to L who he was investing with. It also isn't clear why L would change their name or whether Mr W didn't any checks in response.

Based on the evidence, I think Mr W should've been concerned and completed checks on L before investing. If Mr W had completed checks online, I think it's more likely than not he would've seen the negative reviews about L which could've prevented his loss. On that basis, I'm persuaded that it's fair for Mr W to share responsibility for his loss with Metro and reduce the refund on payments four to 12 by 50%.

Calculating the interest Metro should pay

As I'm satisfied that Metro's intervention on payment two would've prevented Mr W's loss for all the subsequent payments, interest should be calculated from the date of each payment until the date of settlement for payment two onwards. However, the interest for payment one

should be calculated from the date Metro declined Mr W's fraud claim until the date of settlement.

My provisional decision was that I intended to uphold the complaint and ask Metro to refund 100% of payments one, two and three and 50% of payments four to 12. And pay simple interest of 8% per year on the refund from the date of the payments until the date of settlement for all the payments except payment one. Interest should be calculated from the date Metro declined Mr W's claim until the date of settlement, in relation to payment one only.

After the provisional decision was issued, it was identified that the figure used in the redress recommendation was wrong. So, I contacted both parties and let them know of the correct figure.

Responses to my provisional decision

Mr W responded to say he accepted my provisional decision.

Metro didn't respond.

Under the Dispute Resolution Rules (found in the Financial Conduct Authority's Handbook), DISP 3.5.14, says, if a respondent (in this case Metro) fails to comply with a time limit, the ombudsman may proceed with the consideration of the complaint.

As the deadline for responses to my provisional decision expired on 3 November 2025, I'm going to proceed with issuing my final 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.

As neither party have provided any new evidence or arguments in response to my provisional decision, I see no reason to reach a different answer.

In summary

I'm satisfied that Mr W is entitled to a full refund under the CRM Code for payments one to three, as Metro haven't shown that an exception to reimbursement applies.

I would have expected Metro to have intervened when Mr W made payment two, based on the size of the payment, and called him to discuss it. Had they done so, I'm satisfied that it's more likely than not the scam would've been uncovered and his loss prevented. So, Metro should also refund payments four to 12. However, I'm not satisfied that Mr W did sufficient checks before making payments four to 12 based on the lack of information he had about the investment and the company he was investing with. So, it's fair for him to share responsibility with Metro for his loss on payments four to 12 and reduce the refund on those payments to 50%.

As Mr W has been deprived of the use of this money, he's also entitled to simple interest of 8% per year.

Putting things right

To put things right I require Metro Bank PLC to:

- Refund 100% of payments one, two and three and 50% of payments four to 12, which means a refund of £112,780.
- Pay simple interest of 8% per year on the refund. This interest should be calculated from the date of the payments until the date of settlement for all the payments except payment one. For payment one only, interest should be calculated from the date Metro declined Mr W's claim until the date of settlement.*

*If Metro considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr W how much it's taken off. It should also give Mr W a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

My final decision is that I uphold this complaint against Metro Bank PLC and require them to compensate Mr W, as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 3 December 2025.

Lisa Lowe
Ombudsman