

The complaint

Miss S is unhappy that The Royal Bank of Scotland Plc ('RBS') won't provide her with a full refund of payments she says were lost to a scam.

What happened

The detailed background to this complaint is well known to both parties and has been previously set out by the investigator in their assessment. So, I won't repeat it again here. Instead, I'll summarise the key points, and focus on giving reasons for my decision.

In 2023, Miss S says she was contacted through social media that she had won a competition for a substantial sum of £80,000. But in order to release those funds she would need to pay fees. Between the period between July 2023 and December 2024, Miss S made a series of payments she says were lost to this scam totalling around £13,000. Each payment was made to PayPal and Miss S believed she was paying different agents.

Miss S contacted RBS to raise a number of chargeback claims. She was unhappy with the process and timescales taken and so a complaint was raised.

Miss S then brought her complaint to this service. It then came to light that some of the chargeback claims had been successful. But our investigator identified there were a significant number of other transactions Miss S had yet to bring to RBS' attention and so asked for it to review these.

RBS explained that it would not review matters further as the payments were made to PayPal, so Miss S would need to raise a dispute with them. It also explained that it was now too late to raise any further chargeback claims.

Our investigator reviewed Miss S' complaint and upheld it in part. She wasn't persuaded RBS missed an opportunity to identify the payments made were in relation to a scam. However she was satisfied RBS didn't do enough as far as recovery of funds was concerned – in particular, relating to chargeback claims. Whilst Miss S had already successfully received £3,809.06 through chargeback claims, our investigator considered RBS ought to pay her a further £1,397.58 plus interest.

Miss S eventually agreed to our investigator's outcome as did RBS with the case closing. RBS then arranged settlement of this

However, Miss S later returned to this service explaining that she wanted her case reopened so that she could try to get more of her money back.

A different investigator then reviewed Miss S' complaint. She'd identified that Miss S had since raised a separate dispute with PayPal – which is the subject of a separate complaint at this service.

But upon reviewing Miss S's complaint, she wasn't recommending any further refund. She agreed with the original investigator that she wasn't persuaded there was sufficient grounds

for RBS to think she was at risk of financial harm when she made the payments. And she wasn't satisfied any further chargeback claim would've been successful as it was identified that a large number of the payments had actually been made to a PayPal account which Miss S also controlled. Therefore, she wasn't satisfied any further refund was due and didn't uphold her complaint.

As an agreement couldn't be reached the case has since 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.

Having done so, I agree with the most recent investigator's conclusions. I'll explain why below.

The details of this complaint are well known to both parties. So, if there's a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether RBS was responsible for Miss S's loss.

It isn't in dispute that Miss S authorised the transactions in question. She is therefore presumed liable for the loss in the first instance. However, RBS is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Both of our investigators explained to Miss S they weren't persuaded the disputed transactions carried a heightened risk of financial harm from fraud. There were a number of reasons for this which included:

- Miss S's account history shows regular payments to PayPal that were genuine and not lost to the scam
- The individual values of the payments varied significantly with the smallest sum being for £2 and the largest for £900 – which were in keeping with Miss S's account activity
- The disputed transactions were spread out over a near 18-month period
- Even when there were a sequence of multiple transactions, they were also spread out across the day

Miss S has provided no further comments to the points raised by our investigators, and I don't seek to add further to the above either. I'm in agreeance, I'm not persuaded RBS ought to have found any of the payments suspicious, such that it ought to have made enquires of Miss S before processing them.

As such the only matter left for me to consider is that of recovery. In this case, as the payments in question were made by debit card, the chargeback process is relevant here.

I don't seek to go address the findings of the original investigator which resulted in a further refund being provided to Miss S – as she agreed to this at that stage and that has already been settled by RBS.

That said, in the time that Miss S's complaint was brought to this service and a claim raised with PayPal – which is the subject of a separate complaint at this service, it came to light that a large number of the disputed transactions were paid to another account with PayPal that belonged to Miss S. So, I'm not satisfied recovery of these payments was possible through a

chargeback claim. I also can't ignore that by the time Miss S had raised her dispute with RBS, most of the payments had been made outside of the relevant time limit available to her to do so. As such I'm not persuaded there were any prospects of RBS successfully recovering the remaining payments.

Whilst Miss A has undoubtedly been the victim of a cruel scam, I don't find there were any failings on the part of The Royal Bank of Scotland Plc that would lead me to direct it to provide any further refund here.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 26 March 2026.

Mark O'Connor
Ombudsman