

## **The complaint**

Miss A complains The Royal Bank of Scotland PLC (“RBS”) refuses to refund her for transactions on her account she says she didn’t authorise.

## **What happened**

Both parties are familiar with the facts of this case, so I won’t repeat them in detail here.

In short, Miss A says she was approached by someone on Snapchat offering to help university students with a bursary. She was told to open a new student account with RBS to receive the incoming bursary payments, and she did so as instructed. Sometime after, Miss A says she received a notification from RBS saying that she had reached her overdraft limit. She was reassured by the Snapchat contact that this was all part of the bursary application procedure. However, she continued to receive messages from RBS saying she needed to get in contact regarding her overdraft.

Eventually, Miss A got in contact with RBS and told it that she had not made any of the payments from the account. Miss A says she shouldn’t be liable for this debt and RBS should refund these payments as unauthorised.

RBS considered Miss A’s complaint but decided not to refund her any of the money. It says all the transactions were faster payments made via Miss A’s online banking. So, she must have shared her secure login information or the one-time passcode needed to set up online banking in order for someone else to have made these on her account.

Our investigator also considered this complaint and decided not to uphold it. He concluded that there was no way someone else could have made these transactions without Miss A’s consent. Miss A wasn’t happy with this outcome, so the complaint has been passed to me for a 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.

Generally speaking, RBS is required to refund any unauthorised payments made from Miss A’s account. And Miss A is responsible for authorised payments. Those rules are set out in the Payment Service Regulations 2017 (PSRs). But Miss A has said she didn’t carry out the transactions in dispute, and she hadn’t given anyone else the authority to do so on her behalf either. But RBS says it thinks she did. So, I have to give my view on whether I think Miss A authorised the transactions or not, or whether she should be held liable for gross negligence which allowed the transactions to take place.

I would like to start by saying I am sorry to hear what Miss A has been through. This is a lot of money to lose and especially being a student, I can understand that this loss must be very distressing for her. However, my role here is to look at what RBS has done to decide if it has done anything wrong and how it could put things right. I can’t ask RBS to refund Miss A this

money if it wouldn't be fair to both parties.

The first consideration here is whether the transactions were authorised. And the PSRs provide the guidelines on what this means. The PSRs state that a transaction will be deemed as authorised if it is properly authenticated, as per the methods outlined by the bank, and consented to. And the concept of giving consent is a formal one – if the consumer uses the agreed form and procedure for making payment orders then they've given consent to the execution of the payment transaction. It is also determined by an objective test, and it doesn't depend on the consumer being fully aware of the details of the payment at the time they completed the procedure for giving consent.

RBS has provided evidence to show that the transactions were made via Miss A's online banking. It has also provided evidence that an OTP would've been sent to Miss A in order to complete the online banking application. And as Miss A's current phone number is the only number RBS has ever had linked to her account, I think it's likely the OTP needed to register for online banking was sent to her phone.

Miss A has maintained throughout her complaints with us that she didn't share any OTPs with the person she was speaking to on Snapchat, and she didn't make the transactions in dispute. But based on the evidence, it's likely that she has done one of the two. I say that because from what we know the OTP is needed to complete the online banking set-up process, and the evidence shows the transactions were all made via her online banking. So, either she set-up the online banking herself and made these payments on the scammer's instructions, or she voluntarily or was tricked into sharing the OTP with the scammer which allowed them to set up online banking on their own device - and then made these transactions from her account.

Had Miss A accidentally or intentionally shared the OTP with the scammers, even if she wasn't aware of what they were doing, this is in clear breach of the terms and conditions of her account and is grossly negligent. I say this because the wording of the message included with the OTP makes it clear that this should not be shared with anyone – even with their bank. And it's Miss A's responsibility to keep her account information safe and to not share these details with anyone else.

Miss A says she hasn't downloaded any device sharing software, nor have I seen any evidence that a SIM swap may have taken place. And without any other evidence to show how a third party could've completed these transactions without Miss A's involvement, I think it's fair to hold Miss A liable for these transactions for the reasons outlined above. So overall, I am not asking RBS to refund any of the disputed payments to Miss A.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 20 March 2026.

Sienna Mahboobani  
**Ombudsman**