

The complaint

Mr N complains that Bank of Scotland plc have failed to refund over £15,000 he says he lost to an investment scam.

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I will focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- It isn't in dispute that Mr N authorised the disputed payments he made to his Skrill wallet from his Bank of Scotland account (where his funds were subsequently transferred on to the scammers from his crypto wallet). The payments were requested by him using his legitimate security credentials provided by Bank of Scotland, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I've considered whether Bank of Scotland should have done more to prevent Mr N from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- I appreciate that overall, Mr N has lost over £15,000 which is a significant amount of money. But this amount wasn't paid in one large or 'out of character' transaction. It was spread over three separate smaller increments which, in my judgment, would not have appeared particularly unusual or out of character when compared with Mr N's spending history. I can see that he had made similar large payments from his account prior to the scam, such as a £10,000 payment to another online trading platform (Plus500) in May 2021. There was also an even larger payment of £25,000 made from the account in July 2021. So, the payments Mr N made to Skrill in April 2022 would not have represented a significant deviation from the way his account was previously used.
- I also acknowledge there were occasions where more than one payment was made in the same day to Skrill, such as two payments being made on 20 April 2022. However, by this point, Mr N had already made a payment to the crypto platform. So, by the time he came to make these payments, Skrill was already established on his account as an existing payee, and I don't consider there to have been any other risk factors present that would have necessitated an intervention by Bank of Scotland.
- So, having considered the payments Mr N made to Skrill, I'm not persuaded there was anything unusual or out of character that ought reasonably to have triggered Bank of Scotland's fraud monitoring systems, or that would have indicated he was in the process of being scammed.

I appreciate this will likely come as a disappointment to Mr N, and I'm sorry to hear he has been the victim of a cruel scam. However, in the circumstances, I do not consider it would be fair and reasonable to hold Bank of Scotland liable for his loss.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 9 October 2023.

Jack Ferris
Ombudsman