

The complaint

Miss C complains that The Royal Bank of Scotland Plc (RBS) hasn't refunded her after she fell victim to a scam.

What happened

Miss C says her friend introduced her to a service to help her quit smoking. She was to sign up for six months and would be sent vapes and refills in the post. She was also to receive motivational messages to help her stay on track. Miss C says her friend had signed up and had received what was promised.

Miss C made her first payment on 7 November 2023, sending £205 by faster payment (bank transfer) to the account details she was given. Over the next three months Miss C went on to make five more payments, all for varying amounts and totalling £718 (including the first payment).

But Miss C has said she never received anything and so believes she's been scammed. She's said the provider of the service kept telling her there were delays on her orders and coming up with excuses. She says they also kept demanding more money. After making the final payment of £50 on 10 January 2024 Miss C told RBS she'd been the victim of a scam.

RBS discussed what had happened with Miss C. She initially told the bank that she had received some items but that they'd been incorrect or damaged. But when pressed further Miss C said that it was her friend that had received some goods, she herself had received nothing. Miss C says that one of the members of bank staff were very rude and treated her poorly while discussing what had happened.

RBS thought about whether it should refund Miss C, but it said it wouldn't do so. It said Miss C had a dispute about goods not being received, rather than it being a case of her being scammed. It acknowledged it could have provided Miss C with a better service, especially given she'd highlighted difficult financial and personal circumstances to the bank. It offered her £100 in compensation and refunded £119 of account charges that she'd incurred.

Miss C was unhappy with RBS' answer and so complained to our service. One of our investigators looked into what had happened but didn't recommend the complaint be upheld. He felt the bank had fairly and reasonably concluded that Miss C had a civil dispute with the seller. And he didn't feel RBS needed to pay any more compensation for the service it had provided.

The complaint has been passed to me for a final decision because Miss C didn't agree with the investigator's findings.

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.

I'm sorry to disappoint Miss C but I'm unable to uphold her complaint and I can't say RBS ought to refund her loss. I know this will be upsetting news for Miss C. She's told us she's in significant financial difficulty and I know she's been suffering a lot with her mental health. But

I must deliver an outcome based on the facts of the case and using the evidence that is available. And here, there isn't enough evidence to show a scam has taken place. It's not that I disbelieve Miss C, but there is really nothing for me to go on in terms of establishing a scam.

As Miss C authorised the payments out of her account she is generally presumed responsible for them. That responsibility is set out in the Payment Services Regulations (2017). There are times when a firm like RBS might need to refund a customer when they've been scammed though. RBS has signed up to the Lending Standards Board's Contingent Reimbursement Model (CRM) Code.

The CRM Code is in place to see the victims of scams refunded in most circumstances. But it doesn't cover all payments made by a customer. Importantly, the circumstances under which payments are made must fit the definition of a scam.

Miss C has explained she only ever spoke to the seller on the phone. She has no text messages, emails, or other evidence that would help to set out what was agreed to. There's no evidence of any contact with the seller. I don't really know what she was promised and then what she didn't receive. And it's unclear why Miss C continued to make payments over three months when she never received anything.

We have contacted the bank Miss C's money was sent to and it's provided some information about the account. There's nothing there to suggest the account holder was a scammer. For example, there have been no other scams reported against that account.

This means there is virtually no evidence to show a scam has taken place. I have taken Miss C's own version of events onboard. But it isn't enough on its own for me to establish that she's been the victim of a scam. In turn I can't fairly and reasonably say that RBS ought to refund Miss C's loss.

I know Miss C was hoping to have this money refunded, at least in part, to help relieve the financial strain she's under. I'm aware she has been engaging with RBS and other businesses about her financial difficulties. I would encourage her to continue to do so. It's only through staying in touch and engaging in open and honest conversations that the bank (and others) will be able to help her. She ought to be treated positively and sympathetically, which might include the waiving of interest and charges.

I'm sorry to have not been able to help Miss C further. And I sincerely hope things improve for her.

As for the compensation Miss C is seeking, I don't find I can fairly and reasonably award any more than has been offered by RBS. I know Miss C has had to spend a lot of time and energy on her complaint. And things didn't always go smoothly with RBS, including long waits on the phone. But I'm satisfied RBS has already suitably address those points and there's nothing I've seen that suggests further compensation is due. I leave it to Miss C to confirm whether she wishes to accept that settlement, if it hasn't already been paid into her account.

My final decision

I don't uphold this complaint against The Royal Bank of Scotland Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 14 May 2024.

Ben Murray
Ombudsman