

The complaint

Mr C is unhappy that Kroo Bank Ltd has decided not to refund him after he was the victim of an Authorised Push Payment “APP” scam.

What happened

Mr C says he was scammed using a dating application/website and sent £25 to individual as a result. He reported the payment to Kroo two hours after making it. Saying he would

“like them to contact the recipient account holder and advise they have been using dating websites to scam people out of money. I lost £25 and would like to apply for a refund”.

Kroo responded and asked if Mr C could provide further information including any screenshots of the conversation he’d had with the scammer.

Mr C said he couldn’t provide screenshots as he was using a dating website. At the time Mr C also raised a concern about the interest rate but this no longer forms part of his complaint.

Kroo issued its final response not upholding the complaint saying it didn’t receive sufficient information from Mr C regarding the dispute, in order to take the scam claim any further. It apologised for the delay in providing the final response letter and invited Mr C to provide any further information he might have about his claim.

Unhappy with Kroo’s handling of his complaint Mr C brought his complaint to our service.

One of our investigators looked into things. In summary they said:

- Kroo didn’t need to refund Mr C for his losses. The payment wasn’t one that Kroo ought to have considered unusual and therefore been able to prevent the scam.
- Recovery of Mr C’s funds was unlikely given the circumstances and the timeframe in which he reported the matter.
- Kroo asked for supporting evidence from Mr C, which he couldn’t provide, but that didn’t seem unreasonable in the circumstances.
- There wasn’t anything to suggest an award for compensation was required given the level of customer service provided. Kroo’s request for information wasn’t unreasonable, it was just unfortunate that Mr C was unable to provide it.
- Kroo’s final response was one day late, it apologised for the delay which the investigator thought was fair and didn’t warrant a compensation award.

Mr C didn’t agree and asked for a final decision. He said he was unhappy with the way Kroo had dealt with the claim, the delays and lack of update and he didn’t feel he was treated with empathy. And he wanted to know the procedure for contacting the recipients bank account provider to prevent further scams from occurring.

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'm not upholding this complaint.

Mr C hasn't provided any evidence to support his versions of events. He is disputing a low value payment made to an individual with no evidence that this relates to an APP scam. This could be a dispute between two parties, among any number of other possible scenarios. On that basis I don't think Kroo's actions here were unreasonable in both its request for further information and not taking the matter forward with the recipient account, without that information.

Even if I were to accept that Mr C had paid these funds as part of an APP scam then I'm not persuaded that Kroo ought to refund Mr C for his losses here. As the investigator said, the payment was of such low value that Kroo didn't need to consider it unusual that it ought to have intervened or prevented the payment in anyway.

And because I haven't been persuaded that Mr C has provided convincing evidence that he's been the victim of a scam it follows that Kroo didn't need to make enquiries or raise the dispute with the receiving bank and recipient account.

Mr C is unhappy with the service provided and says he wasn't shown any empathy. I have reviewed Kroo's correspondence and I'm not recommending any compensation. Kroo's final response apologised that Mr C was dissatisfied with the service he'd received and explained why it requested further information. It also offered to review the claim if Mr C could provide further evidence. I can see that the conversation with Kroo is polite and efficient. Mr C has provided very little detail about the nature of the dispute and on the whole Kroo's handling of the matter was satisfactory. I wouldn't have expected it to have done more than it did when getting to the heart of the claim.

It also said it wrote to Mr P to acknowledge the complaint and provided the date it would provide its final response. I haven't seen evidence of this letter being sent Mr C hasn't commented on whether this update was received or not, I have seen its content and it said a final response would be issued within 15 days of the claim being raised. But in event it provided its final response within 16 working days of Mr C raising the matter. It says due to an unforeseen administrative oversight it was unable to respond within 15 days and it apologised for this.

Whilst I appreciate that Mr C has said he was unhappy with this delay I'm not persuaded this caused any distress or inconvenience to the extent that compensation is due. I see no other reason to award a refund of Mr C's losses in this instance.

My final decision

I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 8 April 2024.

Sophia Smith
Ombudsman