

## **The complaint**

Company M complains that ClearBank Limited (trading as “Tide”) won’t refund £12,380.92 it lost as part of a safe-account scam in April 2022.

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 the following reasons.

- It isn’t in dispute that M has fallen victim to a scam here, nor that it authorised the disputed payment it made to the scammer from its Tide account. The payment was requested by M using its legitimate security credentials provided by Tide, and the starting position is that banks ought to follow the instructions given by its customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether Tide should have done more to prevent M 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 M has lost over £12,000, which is a significant amount of money. But I can see from M’s account statements that it was not unusual for it to make large payments for over £10,000. Indeed, the month before the disputed payment was made, there were five payments totaling £50,000 made to a new payee all on the same day. So, a payment of around £12,000 being made to another new payee the following month would not have appeared particularly unusual or out of character when compared with M’s spending history.
- I appreciate that the disputed payment was made to a new payee and almost drained the account. However, as I’ve set out above, M’s account history shows that it was not unusual for it to make payments to new payees from its company account. Indeed, it had made payments to nearly 30 new payees between February 2021 and April 2022. And in the context of this being a company account that had made large payments to new payees in the past, I’m not persuaded the transaction for £12,380.92 ought to have been regarded as suspicious. I don’t think there was anything that ought reasonably to have triggered Tide’s fraud monitoring systems, or that would have indicated M was in the process of being scammed. So, I don’t consider there was any obligation on it to have intervened in the payment being made.
- I’ve also thought about whether Tide could have done more to recover the money after M reported the fraud. I can see that Tide contacted the beneficiary bank the following day,

where it was told that no funds remained. The receiving bank also informed Tide that the funds had been removed from the account within around five minutes of it being deposited. So, I don't think Tide could've done anything further to recover the funds either in these circumstances.

### **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 M to accept or reject my decision before 15 August 2023.

Jack Ferris  
**Ombudsman**