

The complaint

Miss G has complained that Think Money Limited won't refund the money she lost after falling victim to a scam.

What happened

In early 2024, Miss G was cold called by scammers from a private number. They claimed to be from Think Money. They said Miss G's account with a different bank was compromised, and convinced her to move her money from that bank to her Think Money account. They then persuaded Miss G to give them all her relevant security details and codes. They used those to log into her account and send just under £2,000 to themselves over the course of two payments.

Miss G reported the scam to Think Money as soon as their lines opened. Think Money tried to recover the funds, but got no response from the receiving bank. Think Money didn't think they were liable for Miss G's loss.

Our investigator looked into things independently and didn't uphold the complaint. Miss G didn't agree, so the complaint's been passed to me to decide.

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 understand that Miss G fell victim to a scam, and so she has my sympathy. I appreciate this can't have been an easy time for her, and I appreciate why she feels that her money should be returned. It's worth keeping in mind that it's the scammers who are primarily responsible for what happened, and who really owe Miss G her money back. But I can only look at what Think Money are responsible for. Having carefully considered everything both sides have said and provided, I can't fairly hold Think Money liable for Miss G's loss. I'll explain why.

I've thought carefully about whether Think Money should have flagged the payments and intervened. The starting position in law is that banks are expected to process payments which a customer authorises them to make. And because Miss G gave the scammers everything they needed to get through security, it would have looked like these were payments authorised by their customer. Of course, Think Money should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments.

In this case, I don't think the payments involved were so unusual or out of character that Think Money needed to intervene. While this was a significant amount for Miss G to lose, and while I do sympathise with her on that basis, the amounts were not nearly large enough to have required intervention on their own. The spending was not very out of character with the sort of amounts Miss G had spent herself before, it was only two payments rather than a series of many rapid ones, they went to a UK account, and they were authenticated by codes sent to Miss G. And I've not found any other reason why they should've intervened.

Further, I'm afraid that even if I had thought Think Money should've done more, I'd also need to consider Miss G's role in what happened. I make the following point not to chastise Miss G, nor to unnecessarily assign blame, nor to remind her of the very difficult time she went through. Again, I acknowledge that the blame for the scam lies primarily with the scammers. I make this following point only because it is necessary for me to explain this so that the reasons for my decision are clear.

I'm afraid I find that Miss G should have had more concerns along the way about who she was speaking to and what they were asking her to do. She had to give the scammers quite a bit of information for them to put these payments through. To summarise, Miss G handed all her relevant security details over to an unidentified stranger who'd cold called her on an anonymous number, giving them control of her account, despite being given clear and relevant warnings not to do so even if someone claimed to be from Think Money, and despite being given nothing which reasonably showed that the caller was who they said they were. I do understand that Miss G had been told her money was at risk, that she thought she was protecting herself, and that she did not think to contact Think Money or her other bank herself to check. But nonetheless, I'm afraid this meets a high enough bar of negligence that I could not reasonably hold Think Money responsible for the loss.

Next, I've considered what Think Money did to try to recover Miss G's money after she told them about the scam. I can see that they contacted and chased the receiving bank in the proper way, but unfortunately the receiving bank didn't get back to them. And it's a common tactic for scammers to move on the money as quickly as possible, before the money can be recalled. So given how long the receiving bank took (and are still taking) to deal with this, it is not likely or plausible that any money would be left. I appreciate that Miss G would have liked Think Money to chase the receiving bank more. But the onus was on the receiving bank to reply to Think Money, not on Think Money to continuously chase them. Miss G may wish to make a separate complaint against the receiving bank.

I do appreciate that Miss G wanted Think Money's phone lines to be open sooner. I should explain that we're not the regulator – that's the Financial Conduct Authority (FCA). So we don't set business' processes or tell them how to work across the board. So I'm not best placed to consider her comments about how Think Money should run their phone lines. I'm here to look at individual complaints about individual situations. And in this particular case, the receiving bank took so long to deal with things that I can't see it would have made a difference even if Think Money had answered Miss G's call sooner.

I also appreciate that Miss G was unhappy with the way Think Money explained things to her. I agree they could've potentially worded things more sensitively. With that said, I did not find anything inappropriate in what Think Money said. The points they made were relevant, and they did need to set out why they didn't think they were liable, even if that meant commenting on Miss G's actions. It was also relevant for them to inform Miss G how the scam worked and where she might have gone wrong, so that she can avoid this happening again in future.

So while I'm very sorry to hear about what happened to Miss G, I don't think Think Money should be held responsible for her loss. And so I can't fairly tell Think Money to refund Miss G in this case.

My final decision

For the reasons I've explained, I don't uphold this complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 11 June 2024.

Adam Charles
Ombudsman