

The complaint

Mrs G complains Northern Bank Limited trading as Danske Bank didn't do enough to protect her when she fell victim to an impersonation scam.

What happened

Mrs G has an account with Danske Bank.

Mrs G says she received a message on a well-known messaging app from her daughter saying she had a new but temporary number as she was getting her phone fixed. Later that day, Mrs G received another message from her daughter saying that her bank had blocked her account and that she needed help making an urgent payment. Mrs G ended up sending her daughter her card details and calling Danske Bank to get her card unblocked – Danske Bank blocked her card when it saw an unusual transaction going out – and passing on a code to her daughter. In fact, Mrs G was talking to a scammer who used the card details and the code passed on to set up a token on their own mobile phone which they then used to make multiple payments to a well-known cryptocurrency provider. Mrs G says she realised she'd been scammed when she met her daughter that evening and it became apparent that she'd not been texting during the day. They contacted Danske Bank.

Danske Bank looked into Mrs G's claim and said that it was going to hold her liable as she'd asked Danske Bank to remove the block it had placed on her card and had shared her card details and a code with the fraudsters – allowing the payments to be made. Mrs G wasn't happy with Danske Bank's response and so complained to our service.

One of our investigators looked into Mrs G's complaint and said that they were satisfied she's authorised the payments to cryptocurrency as she shared her card details and a code with the fraudster. However, they thought Danske Bank should have blocked the cryptocurrency payments sooner than it did. Specifically, when the fraudster attempted to make a fifth payment to cryptocurrency rather than the tenth. Had Danske Bank done so, our investigator was satisfied that the scam would have been uncovered and no further payments would have been made. In the circumstances, our investigator recommended that Danske Bank refund Mrs G from her payment of £774.97 onwards (minus any recovered / refunded transactions) plus 8% simple interest from the date of payment to the date of settlement. Mrs G's representative accepted. Danske Bank disagreed saying that Mrs G asked for the block on her card to be removed and shared her card details and a code. Our investigator asked additional questions to which they didn't get an answer. Mrs G's complaint was, as a result, referred to an ombudsman for a decision and passed to me.

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 satisfied that Mrs G has fallen victim to an impersonation scam – one where a scammer pretended to be her daughter and to be in need of urgent help. I can also understand why Mrs G fell for this scam – she knew her daughter had an urgent appointment that day, had

made plans to meet her that evening and believed the texts she'd received from were sent by her. I'm satisfied that Danske Bank blocked Mrs G's card that day because she attempted to make a payment for just over €2,200 – approximately £1,800. I can see that Mrs G spoke to Danske Bank on the phone and confirmed that this was a genuine transaction and that she wanted the block on her card to be removed and that this led to that payment going out. In fact, it wasn't a genuine transaction – it was a payment to the scam – but not one in the circumstances that Danske Bank could have done much more to help with given the conversation it had with Mrs G on the phone. Shortly after that transaction, however, and because Mrs G had shared her card details with the fraudster as well as a code, payments started going to a well-known cryptocurrency provider.

I'm satisfied that ten payments went out before Danske Bank blocked Mrs G's account again – two were returned. Our investigator said that they were satisfied these payments were authorised – because Mrs G had shared her details and a code that was needed in order to make them. More importantly, they said that Danske Bank should have become concerned when the fifth payment went out rather than the tenth. I agree. Mrs G had never made payments to cryptocurrency before, had never set up the type of token used before and very shortly after doing so started making multiple payments to cryptocurrency in a short space of time. Had Danske Bank blocked the cryptocurrency payments earlier, I also agree that the scam would have been uncovered and no more payments would have gone out.

Putting things right

Given what I've said, I agree with our investigator that Danske Bank didn't do enough in this case and so missed an opportunity to prevent further loss to Mrs G. I agree too, in the circumstances, that it should refund Mrs G from her payment of £774.97 onwards.

My final decision

My final decision is that I'm upholding this complaint and require Northern Bank Limited trading as Danske Bank to refund Mrs G from her payment of £774.97 onwards (minus any recovered / refunded transactions) plus 8% simple interest from the date of payment to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 3 March 2025.

Nicolas Atkinson
Ombudsman