

## The complaint

Ms B has complained that Northern Bank Limited (trading as “Danske Bank”) failed to protect her from falling victim to a “safe account” scam.

## What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

I can see that Ms B has made complaints about two different businesses in relation to the same scam. Although the wider circumstances involving both businesses may be relevant to the background of the scam, in this decision I’ll only be considering the actions of Danske Bank. We’ll send our findings on the complaint about the other business to Ms B separately.

Ms B’s complaint arises from a scam she fell victim to in February 2024, whereby she received a phone call from an individual (“the scammer”) claiming to be from a high street bank’s fraud team. The scammer told Ms B that there had been suspicious activity on her account, which Ms B immediately checked her account online and saw two transactions of £4,500 each that hadn’t authorised. Ms B says that as she panicked and couldn’t access a branch as it was closed as it was weekend, she spoke to the caller who reassured her that he was investigating the issue.

During the call, Ms B received a text message from the bank containing a one-time passcode (OTP) and a fraud prevention message. The scammer explained that this was part of securing her account and advised her to keep the call open while he “resolved” the matter. He further assured her that a new bank card and login details would be sent shortly. The caller then suggested that, given her bank account details were compromised, other accounts she held might also be at risk. He then asked Ms B about her use of online banking and suggested she move funds to a secure “safe holding” account to protect her money.

Ms B disclosed that she held other accounts, including one with Danske Bank. Following further reassurances from the caller—who cited her recent transactions and FSCS protections—Ms B felt compelled to follow his instructions. She transferred funds from her Danske Bank account into her Danske Bank savings account, creating a balance of £22,034.77. The caller then directed Ms B to transfer this sum in increments to her account held with another provider. Once all funds were in that account, the caller provided details of several “safeholding” accounts where Ms B transferred nearly all her money within a matter of hours.

The payments Ms B made from her Danske Bank account to her account at the other bank were as follows:

Date	Amount
10/02/2024	£15.00
10/02/2024	£5,000
10/02/2024	£4,500

10/02/2024	£5,000
10/02/2024	£5,000
10/02/2024	£2,000
10/02/2024	£519.77
<b>Total</b>	<b>£22,034.77</b>

The scammer assured Ms B that the money would be returned to her other account within 24 hours and provided her with a reference number. By the next morning, as nothing had arrived, Ms B contacted the other bank and was told the reference number she'd been given wasn't valid. Ms B realised she'd been scammed and immediately reported the matter to the banks involved, as well as the police, Action Fraud, Trading Standards, and her solicitor.

Ms B says the other bank confirmed that her account had been accessed fraudulently, resulting in unauthorised transactions totalling £9,945. They reimbursed her in full, but Danske Bank refused to refund Ms B's losses, stating that she'd authorised the transfers herself.

Ms B has explained how much distress the situation has caused her, particularly as she's recently retired, and the money involved represents her life savings. Ms B made a complaint to Danske Bank in which she said it failed to protect her from what happened. Danske Bank didn't uphold the complaint, and in its response it said as Ms B had made the payments from her own mobile phone, to an account in her own name, it wouldn't refund her. It suggested Ms B contacted the bank where she holds the account that received the payment to report the fraud, which I understand Ms B has since done.

Ms B remained unhappy so she referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. She explained that she thought Danske Bank should've intervened and provided Ms B with a warning when she made the fourth payment, as the pattern of transactions should've appeared suspicious. But she didn't think a warning would've made a difference in this instance, as she'd seen evidence from one of Ms B's other complaints that when a different bank gave her a warning about "safe account" scams, Ms B made payments to the scammers regardless. So she thought it was likely that would've also happened here, and she didn't recommend Danske Bank should repay Ms B any of what she'd lost. She also didn't think Danske Bank ought to have attempted to recover the funds, as MS B had confirmed she'd sent to her own account, and then on to the scammer, so there'd have been nothing to recover.

As Ms B didn't accept the investigator's opinion, the case has been passed to me to make a 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.

I'm sorry to disappoint Ms B but having considered everything I'm afraid I'm not upholding her complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Ms B authorised these payments from leaving her account. It's accepted

by all parties that Ms B gave the instructions to Danske Bank and Danske Bank made the payments in line with those instructions, and in line with the terms and conditions of Ms B's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

I can from Ms B's bank statements that on 10 February she transferred £21,061.99 from her savings account to her current account. She then proceeded to make seven payments as detailed above, to her own account elsewhere, until her Danske Bank current account balance was nil.

Having reviewed Ms B's bank statements in the months before these transactions took place I can see that Ms B had been making payments to her account held with the other bank for some time – at least for the six months prior to the scam. She also regularly made fairly large transfers, for example £2,950.50 in December 2023, £3,477.38 in November 2023 and £3,772.27, £1,500 and £1,380.34 within three days in August 2023.

Danske Bank says that it has "Confirmation of Payee" results that show Ms B did in fact send the payments in question to her own account, as opposed to a scammer. Other than that, it doesn't appear that it intervened before any of the payments were made, because it didn't deem them suspicious, for the reasons I've previously explained.

Despite the fact that it wasn't completely out of character for Ms B to make large payments, I'm persuaded that Danske bank ought to have intervened before Ms B made the fourth payment. Whilst it may've been fully confident that Ms B was sending funds to one of her own accounts, which I accept, that doesn't mean Ms B wasn't susceptible to becoming the victim of a scam. That, plus the fact that all of the payments were made in rapid succession, means there was enough going on that Danske Bank ought to have reached a point where the payment pattern appeared suspicious, and as a minimum, provided a written warning, outlining the common features seen in scams. Danske Bank didn't do enough to protect Ms B as it didn't give Ms B any warnings, so the starting point is that it's responsible for her loss from when it should've intervened and didn't – which is when Ms B made the fourth payment.

I've also gone on to consider whether an intervention by Danske Bank would've made a difference, and whilst I recognise this'll come as a disappointment to Ms B, I agree with the investigator that it's unlikely Danske Bank would've been able to prevent the scam from taking place.

I say this because I can see that when Ms B's other bank provided a number of very clear and relevant warnings related to scams such as this one, Ms B confirmed she hadn't been contacted and asked by anyone to make the payments, and she hadn't been told to lie to the bank if it asked questions. Although one of the warnings that bank gave was very specific in its resemblance to the scam Ms B was falling victim to, it didn't resonate with Ms B, meaning it didn't "break the spell", and she continued to make the payments to the scammer. Ms B also – on a number of occasions – gave untrue answers to the other bank's questions about the reasons the payments were being made. If Danske Bank had given a similar warning, or intervened in some other way, I can't see any reason why Ms B would've responded any differently.

I do recognise that Ms B says Danske Bank could've personally contacted her by phone to warn her, and I agree that's an option it could've taken. But interventions can take many forms, and it would've been reasonable for Danske Bank to give Ms B a written warning –

which is what I'd expect in a payment journey of this nature – whereby she was transferring funds to her own account.

So although Danske Bank didn't do what it needed to in order to protect Ms B from the financial harm that this scam caused her, I'm also not persuaded that Danske Bank would've been able to do that – no matter how robustly it had intervened.

I've reviewed Ms B's response to the investigator's view and I'd like to reassure Ms B that I've thought very carefully about the points she's made.

In her response Ms B said that Danske Bank failed to protect her by not identifying the payments as suspicious and not intervening appropriately. She emphasised that the scam was catalysed by the unauthorised transactions on one of her other accounts, which made her believe other accounts were compromised. She felt Danske Bank should have stopped the payments and contacted her directly as it would've been able to provide personal guidance which could've prevented further loss. Ms B also highlighted her long-standing relationship with the bank and her reliance on it for protection.

In response, the investigator acknowledged that Danske Bank should have recognised the payments as suspicious and issued clear warnings, but she reiterated that an intervention was unlikely to stop the scam. The investigator noted that when another of Ms B's banks provided what the investigator considered to be effective warnings, Ms B (under the scammer's guidance) ignored them and provided inaccurate information. The investigator thought that Danske Bank couldn't reasonably have known Ms B was being scammed, and she didn't think an intervention would have prevented the loss, given Ms B's interactions with the other bank and the determination she showed to make the payments.

I agree with the investigator's points here. In fact, I should note that the other bank did indeed stop and contact Ms B directly several times in an attempt to stop the scam. But this was still unsuccessful as Ms B wasn't truthful with her answers in those conversations.

I'm very sorry that Ms B has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Danske Bank responsible for that.

### **My final decision**

I don't uphold Ms B's complaint against Northern Bank Limited, trading as Danske Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 9 January 2025.

Sam Wade  
**Ombudsman**