

## **The complaint**

Ms S complains that ClearBank Limited (Tide branded account) won't refund money she lost when she fell victim to a scam.

## **What happened**

The background of this complaint is well known to both parties so I'll only refer to the key events here.

On 14 October 2024, Ms S fell victim to a scam when she authorised three payments after being told by the scammer, pretending to be from Tide, that there was suspicious activity on her account.

Ms S authorised three payments, the first for £50.98, the second for £3,400 and the third for £749.99.

The payment for £50.98 was refunded by the merchant, however the other two unfortunately couldn't be recovered.

Tide explained they didn't stop the payments as they were not of high value and didn't raise immediate concern. Because of this, they didn't believe any of the payments should have been stopped for further checks.

Ms S brought her complaint to our service. Our Investigator looked into everything and was of the opinion that Tide should not have been expected to prevent the payments from being made. He didn't feel the payments were unusual or suspicious in nature given their amounts, meaning he couldn't say that Tide should have intervened before processing them.

Ms S didn't accept our Investigator's view and so the complaint has been 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 very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having considered everything, I agree with the Investigator and have decided not to uphold this complaint. I know this will come as a disappointment to Ms S, so I will explain why I have reached my decision.

It is clear in this case that Ms S has lost a lot of money. And while I do empathise with her, this doesn't automatically entitle her to a refund from Tide. It would only be fair for me to tell Tide to reimburse Ms S if I thought they reasonably ought to have prevented the payments, or they unreasonably hindered any recovery of the funds.

Under the Payment Services Regulations (PSRs) and the terms of the account, Ms S is presumed liable for any loss in the first instance, in circumstances where she authorises a payment. That said, in line with good industry practice, Tide should take proactive steps to identify and help prevent transactions that appear sufficiently unusual, uncharacteristic or suspicious that could involve fraud or be the result of a scam.

However, it is important to note that there are many payments made by customers each day and so it wouldn't be realistic or reasonable to expect a bank to stop and check every payment. There is a balance to be struck between identifying payments that could potentially be fraudulent and minimising any disruption to genuine and legitimate payments.

Ms S's account was typically used for transactions that varied in value, with the occasional higher value payment made at times – which is common for most customers. Similarly, the disputed payments were relatively low in value and mostly in line with the usual account activity. They were also made to three different legitimate businesses, which wouldn't have raised any suspicion. While the second payment was higher, given the general account activity and that it was a one-off payment, I wouldn't have expected it to have raised any red flags on Tide's systems.

Consequently, I don't think the payments Ms S has complained about were so unusual or suspicious whereby I would've expected Tide to have had sufficient reason to suspect she might be making them in relation to a scam. Therefore, they would not have warranted additional checks before being processed.

Overall, I am so sorry to hear that Ms S has been the victim of such a cruel scam. I would like to make it clear that Ms S is not at fault here, the scammer is. But I can only look at the actions of Tide, and I haven't seen anything for me to suggest that they should have intervened to carry out additional checks when Ms S was making the payments. Because of this, I won't be asking them to reimburse the funds lost.

### *Recovery*

I also need to consider whether Tide did enough after being advised of the scam, to try and recover the funds.

After being notified of the scam, I can see the payment of £50.98 was refunded by the merchant.

The second payment needed to be disputed by Ms S first before Tide could get involved.

The third payment couldn't be recovered as while it was made by card and so subject to the chargeback rules, it was made to a legitimate business and not to the scammer directly. The business provided the service Ms S paid for, and so the chargeback wasn't successful.

It follows that I don't think Tide are responsible for the funds not being recoverable.

Overall, while I strongly empathise with Ms S and what she has been through, I don't think Tide are responsible for the losses she has suffered. So, while I know this will come as a disappointment, I don't think Tide have acted unfairly by not refunding her.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 24 October 2025.

Danielle Padden  
**Ombudsman**