

The complaint

Miss B is unhappy Northern Bank Limited, trading as Danske Bank, only refunded 50% of the money she lost as the result of an authorised push payment scam.

What happened

As both parties are aware of the details of the scam I will not repeat them in full here. In summary, Miss B fell victim to an email intercept scam and made the following faster payments to three separate accounts all of which she believed to be at her solicitor's (one being the trust account, one the completion account and one a holding account).

payment	date	value, £
1	25/01/2024	100
2	26/01/2024	10,000
3	27/01/2024	10,000
4	28/02/2024	4,900
5	30/01/2024	10,000
6	31/01/2024	10,000
7	01/02/2024	10,000
8	02/02/2024	10,000

Danske Bank intervened prior to processing payment 8 and broke the spell of the scam on 5 February 2024 when it explained to Miss B the recipient account was a cleaning company. That payment was returned to Miss B's account. Danske Bank went on to recover £10,190.16 from the recipient accounts. It refunded 50% of Miss B's remaining losses saying it could have supported her further.

Miss B asks for a refund of her remaining losses saying Danske Bank did not do enough to protect her – why were the earlier payments not stopped by the bank?

Our investigator did not uphold Miss B's complaint. He said Danske Bank's 50% refund reflected that it accepts it ought to have done more and intervened earlier. And she felt it was fair for Miss B to share the liability for the losses as she proceeded with the payments despite not receiving an exact match on the Confirmation of Payee checks.

Miss B disagreed with this assessment and asked for an ombudsman's review.

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.

In broad terms, the starting position at law is that a bank such as Danske Bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and

conditions of the customer's account.

But, taking into account relevant law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that by January 2024 Danske Bank should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving and the different risks these can present to consumers, when deciding whether to intervene.

In this context, I find that Danske Bank's decision to refund 50% of Miss B's losses to be a fair outcome. I'll explain why.

It is not in dispute that Danske Bank should have done more to protect Miss B's money. Its refund included 50% of all payments. It is reasonable to infer from this it feels it should have done more from the outset and that had it intervened it would have then prevented the scam. Based on value, I would have expected payment 2 (not 1) to trigger an intervention, but as this makes a minimal difference to the financial outcome I will not comment further on this.

What remains in dispute is whether Miss B should share liability for her losses. Danske Bank argues she should, primarily as she went ahead with the payments despite not receiving positive matches for the Confirmation of Payee when the new payees were set up. They were either no match or close match. I agree. The bank's payment journey warned Miss B to stop and check the payee details, saying this could be a scam. The final screen she would have seen before proceeding read:

'Are you transferring money using account details you received by email, instant message or letter? Fraudsters can access these types of communications and will take the opportunity to change the account details to ones that they control. Before sending any funds, always take the time to confirm the account details with the intended Person/Company. We recommend doing this either in person or by contacting them on a phone number you know to be correct [i.e. not the one in the initial communication].'

Had Miss B followed that advice, which describes exactly the type of scam she fell victim to, her financial loss would have been prevented. For this reason I find it fair that she shares the liability for her losses in order to recognise her contributory negligence.

Did Danske Bank do what we would expect to recover Miss B's money once it became

aware of the scam?

I can see that Danske Bank contacted the recipient banks on 5 February 2024, the day the scam was broken. It was able to recover £10,190.16 as a result which was two payments in full and two payments in part. I find its action were reasonable in this regard. I understand £85.16 of the total recovered has not yet been refunded to Miss B as it has not been received by Danske Bank from the beneficiary bank. Danske Bank should endeavour to resolve this in a timely manner.

It follows I am not instructing Danske Bank to refund any additional money to Miss B. I'm sorry Miss B has lost a considerable amount of money and I can understand why she would like to be compensated for her loss. I do accept Miss B has fallen victim to a sophisticated and cruel scam. But I can only consider whether the bank, which had no involvement in the scam itself, should be held solely responsible for what happened. For the reasons set out above I do not find Danske Bank can be held wholly liable in the circumstances of this case.

My final decision

I am not upholding Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 24 June 2025.

Rebecca Connelley
Ombudsman