

The complaint

S, a limited company, has complained that ClearBank Limited (trading as Tide) won't refund the money it lost in a scam. Mr K, as director, is handling the case on behalf of the company.

What happened

In summer 2024, S was buying a property. A scammer intercepted Mr K's emails with the solicitor, such that the scammer's emails looked like they were coming from the solicitor. The scammer gave Mr K false bank details to pay. Over the course of a week, S transferred over £116,000 in total to the scammer across 5 transfers, using the details provided.

The real solicitor informed S they hadn't received the money. S reported the scam to Tide.

Tide contacted the receiving bank and recovered around £7,800 in total. But the rest of the funds were lost. Tide explained that they weren't signatories to the CRM Code for scams; and that while they empathised, they didn't think they were otherwise liable for S's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr K asked for an ombudsman's final decision, 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.

First, I will clarify that in this case I can only look into the complaint which was brought to us and which Tide have already had the chance to address. I understand that S has now had a further separate issue arise. But, as Mr K has accepted, that would need to be considered as a separate case to this one.

I understand that S was subjected to a cruel and convincing scam, and so it and its staff have my sympathy. I appreciate this cannot have been an easy matter to be faced with, and I appreciate why Mr K would like S's money returned. It's worth keeping in mind that it's the scammer who's primarily responsible for what happened, and who really owes S its money back. But I can only look at what Tide are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Tide liable for S's loss. I'll explain why.

It's not in dispute that S authorised the payments involved. So although it didn't intend for the money to end up with a scammer, under the Payment Services Regulations S is liable for the loss in the first instance. And broadly speaking, Tide had an obligation to follow S's instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Tide 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. I've thought carefully about whether Tide should have done more in this case.

These were very substantial payments, and I understand where Mr K's coming from in his feeling that they should've been stopped. But while these payments would've certainly stood out on – for example – the average person's personal account, they were not so unusual or out of character for *this* account. This was a business account, set up for payments like this. S's registered nature of business is buying and selling real estate, and I can see it also told Tide that it would be making property purchases. So Tide had good reason to expect to see payments like these. Indeed, these amounts would've genuinely gone out for the property purchase even if the scam had never happened, just to the correct account instead. And historically, S had made a number of five-figure payments of up to £50,000 each, with payments of up to about £30,000 each that year. S commonly held substantial balances and received substantial credits, and it seems it was quite normal for it to occasionally make very big payments, which fit with its stated nature of business and proposed activity. As Mr K noted himself, it was key for S that it could complete property purchases swiftly. So if Tide stopped S every time it tried to make a large payment, then it would likely markedly disrupt things for S. So in the circumstances of this particular case, I find that the payments were not so concerning or out of character that Tide needed to intervene here.

Next, I've considered what Tide did to try to recover S's money after S reported the scam. I can see that Tide contacted the receiving bank in good time through the proper channels, which was how they managed to recover some of the funds. Unfortunately, by the time S knew this was a scam and reported it to Tide, it had been a few days to a week since the bulk of the money had been sent; and it's a common tactic for scammers to move on the money as quickly as possible, before the victim realises what happened. So by that point, only about £7,800 could be returned. The time it took for those funds to come back was down to the receiving bank, rather than Tide. There was nothing more that Tide could've reasonably done at that point.

So while I'm very sorry to hear about what the scammer did to S and its staff, I don't think Tide can fairly be held responsible for S's loss. And so I can't fairly tell Tide to reimburse S 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 S to accept or reject my decision before 30 July 2025.

Adam Charles
Ombudsman