

## Press Release

### **The Co-operative Bank signs up to voluntary CRM Code to help protect customers from fraud**

The Co-operative Bank has signed up to the Contingent Reimbursement Model (CRM) Code and has been approved as a signatory by the Lending Standards Board (LSB). The CRM Code sets standards to detect and prevent Authorised Push Payment (APP) Scams and provides a commitment to reimburse customers who lose money through no fault of their own.

The eight existing registered firms were signatories at the point when it launched in May 2019, making the Co-operative Bank the first payment service provider to sign up to the Code since its launch. The LSB expects other firms to follow The Co-operative Bank as they bring their systems and processes into line with the Code's requirements.

The nine registered firms have all demonstrated their commitment to ensuring customers are better protected from push payment fraud.

Andrew Bester, Chief Executive of The Co-operative Bank said:

“Protecting and supporting customers affected by scams and fraud is fundamentally important to us and we're pleased to be the first bank since the initial launch to achieve sign-up. We'll continue to work to ensure the best outcomes for customers who fall victim to fraud and, in line with the code, we will refund customers who are left out of pocket through no fault of their own by implementing a self-fund model to reimburse customers who lose money in a 'no blame' situation. We will also help customers understand more about the risk of scams and fraud, and raise awareness of the kinds of things that customers should be looking out for to help them avoid this type of situation.”

The CRM Code was launched on 28 May 2019. Governed by the LSB since July, the Code sets standards which will help protect customers, including consumers, micro-enterprises and charities, from APP scams. An APP Scam occurs when a customer is tricked into authorising a payment to an account that they believe belongs to a genuine payee but is in fact held by a scammer.

In the first half of 2019, 57,549 consumers lost £208m as a result of these scams. The CRM Code ensures that customers of registered firms will be fully refunded if an APP Scam does occur, providing they did everything expected of them under the Code.

Mark Neale, Chief Executive of the LSB said:

“I am delighted that The Co-operative Bank has signed up to the Code which provides important protections for consumers. It is LSB's job to ensure that participating firms adhere to the Code. We do that through rigorous, independent oversight and are supported in doing so by an Advisory Group, chaired by Ruth Evans.”

The LSB will continue working to bring other Payment Service Providers on board.

**ENDS**

### **Notes for editors**

- Press contact: Lola Reid, Portland Communications, [lola.reid@portland-communications.com](mailto:lola.reid@portland-communications.com)

- The Lending Standards Board's (LSB) vision is to ensure that all personal and small business borrowers receive a fair deal from their lender as set out in the Standards of Lending Practice.
- The LSB took over responsibility for the Code on 1<sup>st</sup> July 2019.
- Since taking on stewardship of the Code, the LSB has established an Advisory Group, chaired by Ruth Evans, to challenge and support LSB in overseeing the Code. The Advisory Group has three members drawn from the participating firms and three members who represent the consumer interest, including a representative from *Which?*
- The CRM Code was the work of a Steering Group, also chaired by Ruth Evans.
- More information about the CRM Code, including the full code itself, can be found [here](#).
- The now nine registered firms signed up to the code represent 20 brands. They are:
  - Barclays Bank UK PLC
  - HSBC Bank plc
  - Lloyds Banking Group
  - Metro Bank plc
  - National Westminster Bank Plc
  - Nationwide Building Society
  - Santander UK plc
  - The Co-operative Bank
- Customers who have been a victim of a scam should make contact with their bank, building society or other payment provider immediately, using the number on their website.