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**THE  TIMES**

# Scammers raided our M&S gift card meant for our newborn son

Thieves are copying the numbers on vouchers and gift cards and spending them before buyers have even handed them over



When Luke Charters and his wife, Beth, were given a [Marks & Spencer](#) gift card after the birth of their second son, they were planning to stock the fridge to make the first weeks with a newborn easier.

But when Charters went to use the £75 card in a store in York, he found that the balance was zero.

The Labour MP for York Outer had been a victim of a gift card theft — a growing type fraud that has taken £400,000 from Santander customers alone this year. The bank said the number of cases reported in the first half of the year was up 115 per cent compared to the six months before.

The card had been bought at a Marks & Spencer in Leeds and its balance spent in Manchester within half an hour of it being activated. Cards are usually automatically activated at the point of sale, although in some cases the beneficiary of the gift has to call up to activate them.

Charters said: “What troubles me most is how simple the fraud was to execute and how ill-prepared the initial response by staff seemed to be.”

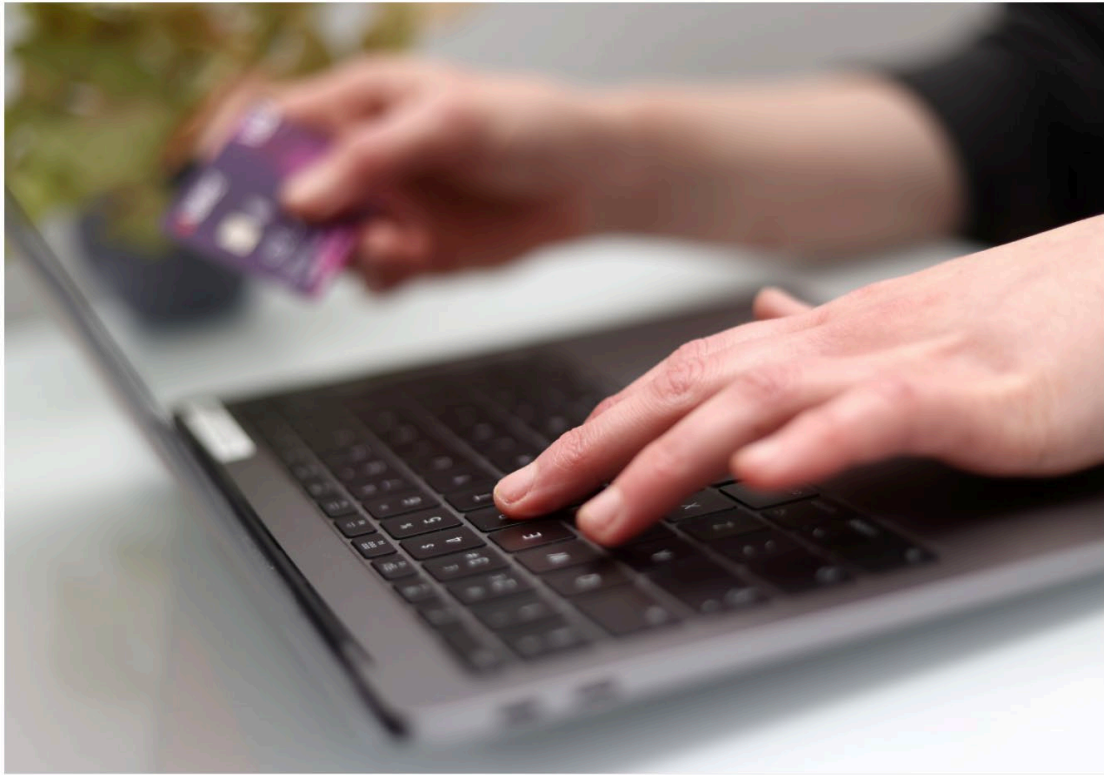
## **How it works**

Some thieves write down or photograph the numbers and pins of gift cards displayed in shops, then wait for them to be activated. Others stick fake barcode stickers over the real ones so that victims unwittingly top up the scammer’s account when they take a gift card to the till to put money on it.

Martyn James, a consumer rights expert, said: “Because the turnover of these cards is so high, if you photograph 50 of them in a shop the chances are that the bulk of them will be sold within a couple of days.

“Scammers also know that most buyers will then wrap them up and give them as a gift a few days or weeks later and that the person who gets them may not bother to use or check them immediately. Many will wait months, or even a year.”

Even gift cards bought online are not safe from scammers. Techie thieves use software to test different combinations of potential e-gift card numbers and pins until they find ones that work. According to the security software company Norton, scammers can test up to 1.7 million potential card numbers in an hour.



Even e-gift cards are vulnerable to scammers

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As banks clamp down on criminals getting victims to send them money via bank transfer, gift cards are becoming a popular way to steal and launder money. In some impersonation scams where criminals pose as a person of authority or trust, they persuade victims to send them gift cards.

Richard Daniels from TSB said: “Criminals often prefer gift cards as payment because they bypass the need for bank transfers and fraudulent accounts and are more difficult to trace.”

The fraud reporting service Action Fraud said that £13.4 million was lost in 6,229 scams involving a gift card in 2023. Daniels said TSB customers were reporting more gift card scams, with the average loss being about £100.

Charters has called for retailers to do more to prevent theft. He said: “Given the rise in fraud, gift cards should be kept securely behind the counter. People work hard to give these as presents to friends, colleagues and family, and it’s only right that retailers make sure they aren’t being ripped off.”

Marks & Spencer has refunded Charters’ parents after they proved it would have been impossible to travel from Leeds to Manchester in the time taken to spend the card.

## **Rich pickings**

Gift cards have fewer protections than bank accounts or credit and debit cards. If your card or card details are stolen, banks have to refund any losses. A refund scheme introduced last October means anyone tricked into sending money directly to a fraudster is supposed to be refunded by their bank unless they have been grossly negligent. There are, however, no specific rules that protect the buyers of gift cards.

Some £1.42 billion worth of gift cards and vouchers were bought in the first half of last year, according to the Gift Card & Voucher Association, a trade body.

## **‘John Lewis won’t refund my stolen gift’**

When Lynn Thompson finished her Christmas shopping in November she was pleased with how organised she had been. But before she could give the £150 [John Lewis](#) gift card she had bought for her stepson James, it was spent by scammers.

Thompson, 66, bought the card from John Lewis in Kingston-upon-Thames. Two days later, while it was still sat in a drawer at home, it was used by criminals to buy a £265 Mulberry wallet purse at John Lewis in Oxford Street.



There is a legal onus on retailers to issue refunds to victims of gift card scams

GETTY IMAGES



She and James, 50, became aware of the fraud when he went to use the card to buy some new clothes more than three months later. “James called me and told me that the funds on the card had already been spent. We were both perplexed,” Thompson said.

- [Fraudsters raided our John Lewis gift card and spent our wedding present](#)

She said that John Lewis told her it was not responsible for lost or stolen cards and would not refund her. It wrote to her on March 5, saying: “You can report that the gift card was used fraudulently, but at this stage, since the funds have already been spent, we are unable to take any action.”

Thompson said: “John Lewis made me feel like I was trying to diddle it out of money, like it was my fault and I was defrauding the company. It’s definitely put me off buying gift cards. Everybody’s getting cash from now on.”

James said that thanks to the Consumer Rights Act 2015 the onus is on retailers to issue refunds to victims of gift card scams. The law states that when you buy goods or services, they must be of satisfactory quality, fit for purpose and as described, and last for a reasonable length of time.

M&S said: “We take the security of our gift cards very seriously and treat every customer concern individually. If an issue is raised, our customer service team investigates fully and provides appropriate support. We’re sorry to hear about Mr Charters’ experience and understand how disappointing it must have been. We have offered a refund and are in contact to further discuss how we can ensure all customers continue to have a good experience when buying a gift card in store.”

John Lewis did not respond to a request for comment.