

## The complaint

Mr M has complained that Santander UK Plc (“Santander”) has refused to refund him money he lost as the result of a scam.

## What happened

Mr M met a person on an online dating platform in 2018. I will call this person B. Mr M was convinced to send funds to B to help out with her financial situation. It is also my understanding that part of the reason Mr M was sending funds was to pay to receive Gold from B.

In May 2019, Mr M was contacted by a second scammer that I will call C. They persuaded Mr M that it was holding Gold on his behalf that had been left to him from a third party. My understanding is that Mr M assumed that it was something to do with Gold left to him by B’s father. Mr M then started sending C funds in order for it to store the Gold for him. Given the timescales involved we do not have much information about either of these scams.

In July 2021, Mr M complained to Santander as he believes it should have intervened when he was making the payments to B. At this point, he does not seem to have been aware that C was part of the scam as he continued to send payments to C during the complaint process. He asked that Santander refund the transactions in question. Santander declined to do this, but it did refund two transactions that were made at this time which were covered under the Contingent Reimbursement Model (CRM).

I issued a provisional decision on 12 January 2024 in which I said the following;

*“I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.*

*The circumstances of this complaint are not in dispute and the evidence provided by both Mr M and Santander set out what happened. What is in dispute is whether Santander should refund any of the money Mr M lost because of the scam.*

*At the time Mr M made his payments, Santander was expected to process payments a customer authorised it to make; but as a matter of good industry practice, it should have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam.*

*There is a balance to be struck: Santander had (and have) obligations to be alert to fraud and scams and to act in their customers’ best interests. But they can’t be involved in every transaction.*

*Our investigator said that a transaction of £3,500 in October 2018 should have prompted an intervention from Santander. But I don't think that this was the case. I accept that this payment was larger than Mr M usually made. But I don't think it was that out of the ordinary to have prompted an intervention. Looking at the transactions in question I think that Santander maybe should've intervened when Mr M made a payment of £6,000 in July 2019. Although I should add that whether Santander should've intervened as this point is debatable, considering that Mr M had by this point made several payments to that payee prior to this payment and Santander had not been made aware of any concerns from Mr M that there was any issue with those payments.*

*Nevertheless, even if Santander had intervened in July 2019, I still need to consider whether this would have prevented Mr M from making further payments. I have carefully considered this and I don't think that it would have.*

*I say this because, when Mr M first complained to Santander, he complained that he was being scammed by B and that part of this scam involved him trying to receive Gold. Yet, despite this he still sent B further funds - even after referring his complaint that he'd been scammed by B to this service. I understand he did this because he thought he might still receive the profits from the Gold sale if he kept sending money.*

*I should add that Mr M had at this point spoken to the police about this matter and yet he still chose to send money to people he knew were scamming him. So I am not sure that any warning from Santander in 2019 would've actually stopped Mr M from continuing to send funds to someone he knew was scamming him.*

*It could be argued that once Mr M had reported that he was being scammed to Santander that it should have intervened once further payments were made. In relation to the payments to C, my understanding is it was only after the investigator completed their assessment in October 2022 that Santander were aware that the payments to C were part of another scam. Prior to this, Mr M had not included them in this complaint. In relation to the further payments to B, Mr M did not make payments directly to B but instead made the additional payments via third party payment providers. So I don't think Santander could have been aware where the payments were going or that the scam was continuing. So I don't think Santander is liable for these payments either.*

*I've considered whether Santander could have recovered the payments via other means, such as chargeback or via the CRM. But I don't think it could have done so, due to the timescale involved and due to the payment means used. So I don't think it could have recovered the funds via other means.*

*So even though I am sorry to see that Mr M has been the victim of multiple cruel scams, I currently don't think that Santander is liable for Mr M's loss. I say this because I currently don't think that it could have prevented the payments from occurring, even if it had provided Mr M with a warning during the scam. I also do not think the funds could have been recovered via other means either. So it follows that I provisionally do not uphold this complaint."*

Santander agreed with my provisional decision. Mr M did not agree with my provisional decision he thought that Santander should have intervened more than it did and explained that he had been tricked by the scammers.

### **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 this instance have considered the points Mr M has raised in response to my provisional decision, but these are things I had already considered in my provisional decision . I agree that Santander should probably have intervened during the various scams and I agree that Mr M was tricked into making the payments in question. But for me to require Santander to refund the transactions I would need to be persuaded that an intervention by it would have stopped the scams.

Given that Mr M carried on sending funds to the scammers after raising a complaint about being scammed and he had spoken with the police about this matter I don't think a warning or even a series of warnings from Santander would have changed his decision to carry on sending funds to the scammers.

I also remain of the opinion that there were no other means to recover the funds once they were sent to the scammer.

In conclusion, I have a great deal of sympathy with Mr M being the victim of what was clearly a number of cruel scams. But it would only be fair for me to direct Santander to refund his loss if I thought it was responsible – and I'm not persuaded that this was the case. Everything considered, I cannot fairly and reasonably hold Santander liable in these circumstances. It follows that I will not be asking it to take any further action.

### **My final decision**

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 February 2024.

Charlie Newton  
**Ombudsman**