

## **The complaint**

Mr K complains that Santander UK Plc ("Santander") won't refund over £27,000 he lost to an investment scam beginning in January 2022.

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I will focus on giving the reasons for my decision.

## **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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons:

- It isn't in dispute that Mr K authorised the disputed payments he made to his crypto wallets from his Santander account (where his funds were subsequently transferred on to the scammer). The debit card and Faster Payments were requested using his legitimate security credentials provided by Santander, and the starting position is that firms ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I've considered whether Santander should have done more to prevent Mr K from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer and spoken to its customer. For example, if it was particularly out of character.
- I appreciate that overall, Mr K has lost over £27,000 which is a significant amount of money. But this amount wasn't paid in one large or 'out of character' transaction. It was spread over 25 separate smaller increments over the space of six months which, in my judgment, would not have appeared particularly unusual or out of character when compared with Mr K's spending history.
- I understand that certain payments were flagged by Santander as requiring further checks, where it seems Mr K was asked to confirm the payments were genuine through its automated systems. But having considered the value and frequency of the payments being made, I don't think there was any reasonable cause for Santander to suspect that Mr K was at a heightened risk of financial harm, such that it should have made any further enquiries, particularly when viewing the payments in light of his account history, where he had previously made legitimate cryptocurrency payments.
- I'm therefore satisfied the checks carried out by Santander were proportionate to the risk presented in these circumstances, and I don't consider it would've been required to have intervened and spoken to Mr K. Even if it had, I'm not persuaded this would've ultimately revealed the scam in any event as I can see the scammer was instructing Mr K at every step of the way. He said that he had developed a romantic and trusting relationship with the scammer, and was told to give the bank any explanation that would allow the funds

to proceed. So, it seems likely he would have followed any instructions given to him to mislead the bank if questioned.

- As a result, I'm not persuaded Santander can fairly or reasonably be held liable for Mr K's loss in these circumstances. The checks it carried out asking Mr K to confirm the payments were genuine were proportionate, and even if it had intervened to question him, it seems unlikely that Mr K would've been upfront about what he was doing given he was being coached by the scammer.
- Mr K has also said that he was vulnerable at the time after having suffered a family bereavement. I'm very sorry to hear about his loss, and I understand this would have been a very difficult time. However, I can't see that Santander would've been aware of this, or that it should have taken any safeguarding measures in response to a perceived vulnerability.
- I also don't think there was anything more Santander could've done to recover the money Mr K lost. In terms of the debit card payments, a chargeback claim would've had little prospect of succeeding given Mr K would've received the asset he had purchased (i.e. the cryptocurrency). Similarly, for the faster payments, there would've been no prospect of recovering the money from the receiving accounts either, given we know these accounts were controlled by Mr K, who had already transferred the cryptocurrency on to the scammer by the time the fraud had been reported.

I appreciate this will likely come as a disappointment to Mr K, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded Santander can fairly or reasonably be held liable for his loss in these circumstances.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

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

Jack Ferris  
**Ombudsman**