

The complaint

Ms P complains that Santander UK Plc won't refund her the money she lost after she fell victim to an Authorised Push Payment ("APP") scam.

Ms P brings her complaint with the assistance of professional representation, but for readability, in what follows I will refer solely to Ms P.

What happened

The background to this complaint is well known to both parties, so I won't repeat it all in detail here. But in summary, I understand it to be as follows.

Ms P has told us that during the Covid-19 pandemic and following the breakdown of her marriage, she was experiencing loneliness and joined an online dating site. She matched with someone and began to communicate with them – she's explained the person lived abroad but they were in contact daily, messaging and talking on the phone.

After around 12 months, the person told Ms P that he was experiencing financial difficulties and asked to borrow some money, promising to pay it back. Ms P has said that she believed she was in a genuine relationship with the person and was in love with them, and so she agreed to send the money. But unknown to her at the time she had been speaking with a fraudster.

Ms P has said that she tried to make a payment with the account details the fraudster initially gave her, but the details were incorrect – so the fraudster gave her different details, which he said were for his Auntie's account. Believing everything to be genuine Ms P made the following international payments through one of Santander's branches:

13 July 2021	£3,357.56
26 July 2021	£2,826.83

When making each of the payments the staff in the branch asked Ms P what the purpose was and, on the instructions of the fraudster, she told them the payments were for a holiday and a villa.

After making the payments, Ms P continued to communicate with the fraudster. But during one call she heard background noise and became suspicious, with the fraudster telling her that it was the television. Ms P mentioned this to her daughter, who researched the photos the fraudster had given Ms P and found they were of an international politician. It was at this point, Ms P realised that she'd fallen victim to a scam.

Ms P raised the matter with Santander. It considered her complaint, but didn't uphold it. In summary it didn't think it was liable to refund Ms P – it said that while it recognised the payments she made in branch were unusual, the reasons she gave for the payments were reasonable.

Unhappy with Santander's response, Ms P brought her complaint to this service. One of our

Investigator's looked into things, but didn't think the complaint should be upheld. In summary, while she recognised Santander should have identified the payments as unusual, she didn't think if Santander had discussed them further with Ms P it would have made a difference.

As an agreement couldn't be reached, the case has been passed to me for a final 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.

I'm sorry to hear of what's happened to Ms P, and I can understand entirely why she feels so strongly that this money should be returned to her. But having thought very carefully about Santander's actions, I think it did act fairly and reasonably in allowing the payments to leave her account.

In broad terms, the starting position at law is that firms are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

However, where the consumer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the consumer even though they authorised the payment.

The Contingent Reimbursement Model (CRM) Code can provide additional protection for the victims of APP scams such as this was. However, in the circumstances of this case the payments were made to international accounts and such payments are not within the scope of the CRM Code. Meaning the principles of the CRM code can't be applied to this complaint.

However, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Santander should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment.

It isn't in dispute that Ms P has fallen victim to a callous scam here - but I've thought about whether Santander ought to have done more, prior to processing the payments Ms P made when she visited its branch.

Having looked at the typical activity on Ms P's account, in the months leading up to the scam, I think the payments Ms P made, which were international payments to a new payee for amounts that were higher than Ms P typically made ought to have appeared unusual to

Santander. It follows that I think Santander ought to have questioned Ms P about the payments before allowing them to be progressed.

Santander has said that it did ask Ms P the purpose of the payments. Given the time that has passed since the payments were made there is limited information available – so I can't be sure as to whether Santander's questioning was proportionate and extended further than asking her for the purpose of the payments, which given the risk I think was present it ought to have done.

But even if I consider Santander's intervention should have gone further than it did, this in and of itself, wouldn't necessarily mean that Santander would be responsible for refunding Ms P the money she sadly lost. I'd also need to be persuaded that the intervention would have made a difference. And for reasons I'll explain, on balance, I don't think it would have.

Ms P told Santander that she was making payments for a holiday and for a villa and evidence that Santander has provided that is available from the time (electronic payment slips) support this. Ms P has said these reasons were given on the instruction of the fraudster, who had told her not to be honest with her bank about the payment purpose.

Even if Santander had proportionately questioned things further, I don't think it's more likely than not the scam would have been uncovered. I don't think, given the amounts she was paying, that it was unreasonable for Santander to consider that she was paying for a holiday. And even if it had asked some further questions, I don't think it would have been too difficult for Ms P to have provided plausible answers that would have satisfied Santander. Overall, I'm not persuaded that I can fairly or reasonably say that it's likely it would have been apparent to Santander that Ms P may be falling victim to a romance scam. It follows that I don't think Santander could have reasonably been expected to prevent this scam from happening.

I've also considered whether Santander did enough when Ms P raised the scam with it. The evidence I've seen shows that Santander did reach out to the beneficiary banks (the banks to which the payments were made) in an attempt to recover any remaining funds – but sadly it wasn't able to recover anything. From what I've seen, I don't think Santander has missed an opportunity to recover any of the money that was lost.

It's very unfortunate Ms P has lost this money in this way, and I understand the whole experience has been deeply upsetting and I have a great deal of sympathy for her. But in the circumstances, I don't think I can fairly or reasonably say Santander are liable for refunding the money that Ms P sadly lost.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 9 May 2025.

Stephen Wise
Ombudsman