

The complaint

Mr S complains that Santander UK Plc won't reimburse him after he made a payment for a fee, which he now considers to have been an authorised push payment (APP) scam.

What happened

Mr S has explained that after his mother sadly passed away, her home abroad was sold and he needed to make a payment to an individual who had been involved in the house sale.

Mr S has said that he couldn't make this payment directly from Santander due to the payment destination and sanctions in place. He therefore made the payment to a UK based company, which I'll refer to as M, who he understood would transfer the payment onwards. It's not entirely clear from Mr S' testimony how he came about sending funds to M – he told Santander initially that the individual he owed money to told him to do so. However, he later told our service that a friend of his (who is a relative of the director of M) advised him to.

Either way, Mr S made a payment of £6,565 to M in branch, which he told branch staff was for a kitchen extension when asked. However, Mr S has since found out that M has failed to pass his funds on to their intended end destination, as he believed it would.

Believing he had been the victim of a scam, Mr S contacted Santander to raise a claim. Santander considered his claim but didn't uphold it. It considered this was a civil dispute between Mr S, M and the individual he intended to pay.

Mr S remained unhappy and referred his complaint to our service. An investigator reviewed Mr S' complaint but didn't uphold it. She didn't think there was sufficient evidence to prove Mr S had been the victim of a scam, as Mr S made a payment to an actively registered firm - and Mr S had been unable to provide any evidence of correspondence or agreements between him and other parties to support the dispute.

Mr S disagreed with the investigator's view, so the complaint has been referred 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'd like to first say I'm sorry to hear of the personal circumstances Mr S was facing at the time this payment was made and the impact this no doubt had on both him and his family.

Having considered all the information Mr S has provided, while I'm sorry to disappoint him, I don't think Santander has acted unfairly in not refunding him in the circumstances. I've explained my reasons below.

Santander is a signatory of the Lending Standards Board Contingent Reimbursement Model (CRM) Code, which requires firms to reimburse customers who have been the victims of APP scams. Therefore, the first consideration when determining whether a customer should

be reimbursed under the Code, is whether the evidence available supports the claim that they fell victim to a scam.

Having considered everything Mr S has provided, I don't think he's been able to sufficiently evidence that a scam has taken place. Mr S has made a payment to a business that is registered on Companies House and is still active. He's not been able to provide any evidence of communications with M, or any of the other parties involved regarding this payment, what it was for, or what agreement there was in place about how his payment should be transferred onwards. All I have to rely on are deeds from the sale of the house in question, although these pre-date the alleged scam payment by around nine months. Mr S has also provided evidence that he did have a kitchen extension completed, but as he's acknowledged that this payment wasn't related to that renovation project, I don't think these are relevant in considering this complaint. Mr S has also advised that since making the payment, he hasn't made contact with M to discuss the failure to pass his money onwards. I've also contacted the recipient firm that received Mr S' disputed funds and it has confirmed that no other scam claims have been raised regarding this account.

While I'm not suggesting that Mr S' testimony isn't accurate, our service has to consider complaints based on the evidence available - and there's nothing to support this version of events over other possibilities, such as this being a genuine (and agreed to) payment to M for another purpose, which Mr S has since become unhappy with. Without any such evidence, it simply wouldn't be fair for me to conclude that M has criminally obtained funds from Mr S with an intent to defraud here – a high bar to meet - rather than the other possible alternatives.

Therefore while I understand this isn't the outcome Mr S was hoping for, I don't find Santander is responsible here for losses suffered by Mr S and I'm therefore not recommending it reimburses him.

My final decision

My final decision is that I don't uphold Mr S' complaint against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 April 2025.

Kirsty Upton
Ombudsman