

## The complaint

Mr A complains that Santander UK Plc (Santander) is refusing to refund him the amount he lost as the result of a scam.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr A has explained that he received a text message on an existing thread that appeared to be from a business he held an account with. The message looked legitimate and explained it needed to "verify recent activity" and that Mr A should "expect a call from our advisor".

Mr A attempted to call his account provider but while on hold received an incoming call that appeared to be from that account provider. Mr A answered the call and went through checks that he considered usual when speaking to that provider.

The caller asked Mr A if he recognised several payments on his account. Mr A had not made the payments so answered that he did not recognise them. Mr A was then advised that his account had been hacked and his card had now been blocked. Mr A was told to expect a call from his bank as standard practice.

Mr A then received another call from another individual claiming to be from another bank he had accounts with. The caller explained that it was aware of the fraud and a group chat between Mr A's banks had been set up. The caller said a £10,000 payment had been scheduled to leave his account and that a personal loan had been applied for in his name.

Mr A confirmed he had not requested a transfer or a loan and so was told by the caller that his account with that provider had been hacked, and that he should move his funds.

Mr A was advised to move all the funds he had in those accounts to his Santander account. Once they were moved to that account, he was told again to move those funds to an account he held with another provider.

Having moved his funds as directed he was told that two safe holding accounts had been opened for him and that he should transfer his funds from the final account to them. Mr A was told he would have to manipulate the security on his account to have the payments processed.

Mr A continued with the final payments as directed but was continuing to be directed to move additional funds. At this point Mr A became suspicious and called his other account provider, where it was confirmed, he had fallen victim to a scam.

Mr A made the following payments in relation to the scam from his Santander account:

Payment	Date	Payee	Payment Method	Amount
---------	------	-------	----------------	--------

1	17 January 2024	Mr A	Transfer	£14,500
2	17 January 2024	Mr A	Transfer	£6,332

Our Investigator Considered Mr A's complaint and didn't think it should be upheld. Mr A disagreed, so this complaint has been passed to me to decide.

### **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.

It isn't in dispute here that Mr A has been the victim of a scam and has lost money as a result. However, even when it is clear that a scam has taken place, and an individual has been tricked out of their money, it doesn't necessarily follow that a business will need to refund the money that has been lost.

#### *Recovering the payments Mr A made*

Mr A made payments into the scam via transfer. When payments are made by transfer Santander has limited options available to it to seek recovery. Mr A made the payments from his Santander account to another account in his own name which were then forwarded on as part of the scam.

As Mr A made the payments to another account in his own name and those funds were forwarded on there would be no funds available for Santander to recover. So, I don't think Santander had any reasonable options available to it to recover the payments Mr A made.

#### *Should Santander have reasonably prevented the payments Mr A made?*

It has been accepted that Mr A authorised the payments that were made from his account with Santander, albeit on the scammer's instruction. So, the starting point here is that Mr A is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Santander should have been aware of the scam and intervened when Mr A made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

Before Mr A made the payments from his Santander account, he logged onto his online banking application to increase his payment limit to accommodate the payment he was making.

While increasing the limit he was provided with a warning that stated:

"Have you been asked to move your money? Santander or the police will never ask you to move your money to keep it safe. If you're told to move your money to a 'safe' or newly opened account, or to help with an investigation, it's a scam!"

Mr A selected the option: "No, no one has asked me to move money". The alternative option Mr A could have selected stated:

"Yes, I've been asked to move money". This option accurately described the circumstances

of the payment Mr A was attempting to make.

When Mr A made the payment and selected the payment purpose as “transfer to own account” he was also provided with a warning that stated:

“If you’ve been told your accounts at risk and to move your money, this is a scam. If someone contacted you, even Santander or the police, and said your account is at risk and you need to transfer your money to a safe account’, or new account in your name, this is a known scam. If you’re not comfortable or want to complete further checks, stop and cancel the payment.”

Despite receiving these clear warnings Mr A continued with the payments from his Santander account.

In addition to the warnings Mr A received from Santander, when Mr A made payments at the end of the scam from one of his accounts in his control to that of the scammer’s which he believed to be a safe account, his other account provider did intervene.

Mr A was asked the purpose of his payment and selected “paying a family member or friend”.

Mr A was also required to complete a questionnaire about one of the payments. Mr A was told:

“Please answer truthfully. If you are being scammed, the fraudster may ask you to hide the real reason for this payment”. Mr A confirmed that he understood.

Mr A was then asked the following questions and gave the following answers:

Q. Is anyone telling you how to answer these questions? Is someone telling you which options to choose or telling you this is urgent?

A. No I am not being assisted through this questionnaire.

Q. Why are you making this transfer? We’ll only use this information to help protect your account.

A. Pay a family member or friend.

Q. What are you paying them for? This helps us identify your level of risk.

A. Paying back for something they purchase on my behalf.

Q. Has this person asked for help unexpectedly? Fraudsters will contact victims, impersonating a family member or friend who has lost access to their accounts, or isn’t able to pay or transfer funds.

A. No.

Q. Have you paid this person before? It’s best to be safe and check the bank details are correct.

A. Yes using the same bank details.

Q. How did they provide the bank details? Make sure the bank details provided were actually from your family member/friend.

A. Face to face.

Mr A was also put through to an in-app chat where he was asked for more details about why he was making the transaction Mr A stated:

"I am making a transaction to a relative".

Mr A was then warned:

"...Scammers may impersonate (account provider), another bank or the police and pressure you to make a payment urgently, telling you to ignore our alerts. Never ignore these alerts, even if someone tells you to. Please stop and let us know if you are concerned for your account safety."

"It seems like this isn't a case where someone is instructing you what to do, which can be a red flag for scams. Could you confirm that you aren't being guided to make this transaction in any way?"

Mr A replied, "I am not concerned I just need to make this transaction".

Mr A has told us he was directed by the scammer to manipulate this account provider and to give false answers to the questions. But even if I was to say that Santander should have intervened further (which I'm not convinced it had to) I think it's unlikely the scam would have been uncovered.

I think it is clear from the available evidence that Mr A was under the spell of the scammer and was willing to follow the scammer's guidance to give false information to get payments processed in relation to the scam. Unfortunately, I don't have enough to say that Mr A would have been any more honest had Santander intervened further when the payments were made.

Giving false information to Santander did and would have continued to make it incredibly difficult for it to uncover the scam that was taking place. So, with this in mind I don't think Santander missed an opportunity to prevent the scam and it is not responsible for Mr A's loss.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 April 2025.

Terry Woodham  
**Ombudsman**