

## The complaint

Mr R complains that Santander UK Plc won't refund him after he lost money to a job scam.

## What happened

Mr R has explained that he was looking for a new job opportunity and found one that interested him on a well-known online recruitment website. The job stated it could be completed flexibly with no experience required, and with a part time salary of £30 to £50 per hour. On clicking the job link, Mr R was taken to a separate webpage, where he provided some details about himself.

A few days later, Mr R received contact via instant messaging, from an individual purporting to work for a recruitment team. She asked if Mr R was looking for full time or part time work, then advised someone else from the team would be in touch.

Mr R received contact from a second individual, who claimed to work for a well-known home improvements firm. Unfortunately, both individuals that had contacted Mr R were in fact fraudsters working together on the same scam.

The fraudster advised she would explain the job to Mr R in more detail. Mr R was told he needed to complete 38 'tasks' daily, whereby he would be providing positive reviews to the company's products and in doing so, would earn commission. Mr R was told that occasionally, workers receive 'lucky bonus' tasks, which require them to deposit money onto their account through cryptocurrency before they can continue with their tasks, but that these tasks also boost commission.

Mr R initially practiced the role on the fraudster's account before being told to start his own tasks. While completing his own first set of tasks, Mr R encountered some lucky bonus tasks and sent cryptocurrency as requested, believing he was replenishing his account. During this early stage of the scam, Mr R did ask the fraudster twice if what he was doing was illegal, or whether he was being scammed, but was told this wasn't the case. After completing the tasks, Mr R received his funds back to his account, plus some commission, which encouraged him to continue working.

However, when completing his second set of tasks, the amount he was being asked to deposit kept increasing and he was asked for more funds even after completing his tasks. When Mr R had no more funds available to send, he realised he'd fallen victim to a scam and contacted Santander to raise a claim.

Initial payments towards the scam were made from Mr R's Santander account. However, when further payments through this provider were blocked pending fraud checks, Mr R began making payments from another of his banking accounts. In total, Mr R made the following card payments towards the scam from his Santander account:

Date/time	Payment value
21/02/2024 13:58	£210

21/02/2024 18:28	£310
21/02/2024 18:50	£30
21/02/2024 19:12	£380
21/02/2024 19:28	£600
21/02/2024 20:41	£950
21/02/2024 22:59	£55

Mr R also received a credit from the fraudsters this same day for £332.

Santander considered Mr R's complaint but didn't uphold it. It said that as payments towards the scam were made by card, it attempted a chargeback with the merchant, but this was unsuccessful.

Mr R remained unhappy and referred his complaint to our service. An investigator considered the complaint but didn't uphold it. He said that he didn't think the payments were so unusual that Santander ought to have intervened and questioned Mr R, prior to processing them.

Mr R disagreed and 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.

There's no dispute that Mr R authorised these transactions and that means that under the Payment Services Regulations 2017 and the terms of his account he is presumed liable for the loss in the first instance. The Contingent Reimbursement Model (CRM) Code does provide further protection for *some* payments that were made as the result of a fraudster. However, the CRM Code does not include card payments, as was the case for these payments.

However, taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, Santander ought fairly and reasonably to have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances.

In addition, since 31 July 2023 when the Financial Conduct Authority's (FCA) Consumer Duty came into force, there are additional obligations on firms to avoid foreseeable harm to customers. As a result, where it would be considered appropriate based on the risk level, we'd expect warnings provided by firms to be more 'dynamic', asking questions to better understand the scam risk and for these questions to cover potential job scams, as this was.

All payments made by Mr R were going to an identifiable cryptocurrency platform, which is known to carry a higher fraud risk. However, I've also kept in mind that Santander will process thousands of genuine cryptocurrency transfers daily, the vast majority of which will be genuine payments. I've therefore thought carefully about whether I think Santander ought to have done more here to assure itself that Mr R wasn't at risk of fraud.

I accept that these payments were all made in one day, and that this in itself can be an indicator of fraud. However, I've also had to bear in mind that the payment values were all

relatively low, with all scam payments combined totalling around £2,500. While I don't dispute this is a lot of money to sadly lose to a scam, I have to factor in that Santander has a difficult balancing act to maintain between keeping its customers safe, while also not unduly inconveniencing those making genuine transactions. I can see from Santander's records that Santander did block some payments, requesting Mr R to confirm they were being made by him – which he confirmed they were. Based on the payment values in question, I think this level of intervention was proportionate to the risk identified. Having considered everything holistically, I haven't concluded that the payments were so unusual or out of character, that Santander acted unfairly by not making further enquiries prior to processing them. As I don't think Santander needed to do anything further, prior to processing these payments, it follows that I don't hold it liable for Mr R's losses.

I've therefore gone on to consider whether Santander did everything it could to recover Mr R's losses, once it was made aware of the scam. As payments were made by card, Santander attempted to complete a chargeback for Mr R, but this was unsuccessful, based on the cryptocurrency provider completing the role it was engaged to fulfil (providing cryptocurrency in return for sterling payment). I therefore don't think Santander could've done anything further to recover Mr R's losses.

Overall while I do sympathise with Mr R in falling victim to this cruel scam, I don't find Santander is responsible for the losses incurred from his account and I don't find it liable to reimburse him.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 30 December 2024.

Kirsty Upton  
**Ombudsman**