

The complaint

Mr T is unhappy that Santander UK Pls won't reimburse money he lost to a scam.

Mr T is represented by a third-party claims firm, but I will refer to Mr T here

What happened

The background to this complaint is known to both parties, so I won't repeat everything here.

In summary, Mr T has explained that between February and November 2021 he made payments from his Santander account to buy cryptocurrency which he ultimately lost to an investment scam.

Mr T used several cryptocurrency exchanges during this scam. After reporting the scam to Santander it identified that Mr T had sent a total of £12,730.87 to the scammers.

Mr T raised a complaint with Santander. It didn't think it had done anything wrong by allowing the payments to go through. So, Mr T brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think the payments Mr T made were unusual and so they didn't feel Santander should have identified a scam risk. Mr T didn't agree. He said, in summary, that he wasn't experienced in investing and that he would have listened to a warning from Santander if it had questioned and highlighted the risks of investing.

Mr T's complaint has now been passed to me for review and a 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 disappoint Mr T, but I'm not upholding his complaint - for broadly the same reasons as the investigator.

Mr T has provided us with very limited information on his involvement in this scam. For example, we haven't been provided with any evidence of the messages he had with the scammer or details of how the funds were sent to the scammer. I'd usually be looking for some more evidence to show that Mr T was involved in the scam. But as this doesn't make a difference to the outcome of his complaint, I'm going to proceed on the basis that Mr T did suffer a loss to the scam he's described.

The Lending Standards Board Contingent Reimbursement Model Code (CRM Code) provides refunds in certain circumstances when a scam takes place. But – it doesn't apply in this case. This is because it doesn't cover payments made to an account held in a person's own name. I've therefore considered whether Santander should reimburse Mr T under any of its other obligations.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Santander is expected to process authorised payment instructions without undue delay. But in some circumstances a bank should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

I have also kept in mind that banks such as Santander process high volumes of transactions each day, and that there is a balance to be found between allowing customers to be able to use their account and questioning transactions to confirm they are legitimate.

The highest payment made in relation to the scam was £2,000, but the majority of the transactions were under £500. And although I appreciate that the payments may have represented a lot of money to Mr T, they were simply not of a value where I'd usually expect Santander to be concerned that Mr T was at a heightened risk of financial harm.

I've also considered the frequency of the payments. The payments were made over a ten-month period. They did not increase significantly in value during the scam, which is something that can happen when a customer is falling victim to a scam, so based on the circumstances I wouldn't have expected the payments to have caused Santander concern.

Mr T has advised that Santander should have intervened and highlighted the risks with making payments for investments. The payments were made to legitimate cryptocurrency exchanges. And while there are known fraud risks associated with cryptocurrency, as scams like this have unfortunately become more prevalent, not all payments related to cryptocurrency are scam related. This means that I wouldn't expect Santander to intervene on a payment just because it related to cryptocurrency.

So, while Santander should be looking out for signs that their customers are at risk of financial harm from fraud, I'm not persuaded the value, frequency or destination of the payments were so unusual or suspicious for Santander to have suspected Mr T was at risk of financial harm - thereby prompting it to intervene before processing them.

Taking all of this into consideration, I don't think Santander ought to have done more before following the instructions Mr T gave.

Mr T's representative has also requested compensation in addition to a refund of the scam payments made. But I can't see any reason which would suggest compensation is warranted in the circumstances of the complaint as I have not found anything to suggest Santander have acted incorrectly.

Could Santander have done anything else to recover Mr T's money?

There are industry standards around attempting recovery of funds where a scam is reported. So, I've also thought about whether Santander could have done more to recover the funds after Mr T reported the fraud.

It's possible to dispute a debit card payment through a process called chargeback, which can sometimes be attempted if something has gone wrong with a debit card purchase, subject to the relevant card scheme's rules. But I can see that Mr T didn't dispute the transactions in time to raise a chargeback claim in line with the relevant timescales. I also don't think there was any realistic prospect of recovering any payments sent by bank transfer given the delay in reporting the scam.

So, I'm satisfied that there was nothing further Revolut could reasonably have done to recover Mr T's payments.

I'm sorry to hear Mr T suffered a financial loss as a result of what happened. But it would only be fair for me to direct Santander to refund his loss if I thought it was responsible – and I'm not persuaded that this was the case. For the above reasons, I think Santander has acted fairly and so I'm not going to tell it to do anything further.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 September 2025.

Aleya Khanom
Ombudsman