

The complaint

Mr K is unhappy that Santander UK Plc won't refund payments he made as a result of a scam.

What happened

Mr K was a victim of an investment scam involving the following payments from his account:

Date	Description	Amount
26 December 2021	Card Payment to 'Cro'	£3,699.96
7 January 2022	Card Payment to 'Cb Payments Ltd'	£1,000.00

Mr K, via his professional representatives, complained to Santander in 2024 saying it ought to refund the payments. Santander declined – it said the payments aren't covered by the Contingent Reimbursement Model, so it can't be held responsible for the losses.

Unhappy with the response, Mr K brought the complaint to our service to investigate.

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.

Having done so, I've reached the same outcome as our investigator for these reasons:

- The starting position is that Santander is expected to process payments that Mr K authorises it to make, in accordance with the Payment Services Regulations 2017. While Mr K was the victim of a cruel scam, it's accepted he authorised these payments. That means he's presumed liable for the losses in the first instance.
- However, there are circumstances when it might be appropriate for Santander to take additional steps before processing a payment. Such as when there are grounds to suspect the payment presents a fraud risk. That might occur when a payment is significantly unusual or uncharacteristic compared to the normal use of the account.
- Looking at Mr K's account history, I'm not persuaded these payments appeared so uncharacteristic that Santander ought to have suspected he was falling victim to a scam. Mr K's representatives argue the payment for £3,699.96 was a substantial deviation from how the account was usually run. But I note from his transaction history that he had made several payments over £1,000.00 before. So I don't think these looked especially unusual. And overall, I don't find either payment was particularly significant in value, although I appreciate it was a lot for Mr K to lose.
- I've also considered they were nearly two weeks apart – so I don't think the frequency looked alarming either. And while I note they both went to cryptocurrency providers, at the time they were made, I think it was fair for Santander to take a range

of things into account when it decides if Mr K was at risk of financial harm. And in these circumstances – given the value and the overall pattern of payments – I don't consider it remiss that Santander processed the payments in line with Mr K's instructions without completing further checks.

- I do appreciate how disappointing this will be for Mr K, who's clearly been a victim of a cruel scam. But for the reasons I've explained, I don't think his losses can be attributed to something Santander did wrong. So I don't uphold his complaint.

My final decision

For the reasons I've explained, I don't uphold the complaint.

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

Emma Szkolar
Ombudsman