

The complaint

Miss M complains that Santander UK Plc won't refund the money she lost after falling victim to a scam.

What happened

In December 2023, Miss M was contacted on a messaging app by someone who said they could offer her a job opportunity. Miss M says she'd been approached about work in a similar fashion previously, so was not surprised by this contact. She was told the job involved her completing tasks to promote online items. Miss M was told she needed to deposit her own funds (in cryptocurrency) to unlock tasks. Miss M agreed to take on the role. Unfortunately, and unknown to Miss M, this was not a legitimate job opportunity, she was the victim of a scam.

Miss M made numerous payments to the scam from her account at Santander to another account she had opened with an Electronic Money Institution (which I'll call R), and on to the scammer via the peer-to-peer cryptocurrency market and via cryptocurrency accounts she had set up herself. When she kept receiving 'premium' tasks, which meant she had to pay increasingly large sums into the scheme, Miss M borrowed funds from her brother, and ultimately also made payments to the scam from his accounts. Miss M's brother's accounts have been considered under separate complaints.

Miss M had initially received some small returns, but ultimately she transferred a large amount of money to the scheme without receiving any meaningful profits. When Miss M received a final premium task which required her to pay £64,000, she realised she had been scammed.

Miss M contacted Santander about the scam payments, and it looked into what had happened. But Santander did not consider that it was responsible for refunding any of Miss M's loss as the payments from Santander had been made to accounts in her own name.

Miss M wasn't happy with Santander's response, so she brought a complaint to our service. An investigator looked into Miss M's complaint but didn't uphold it. The investigator did not consider that Santander should be held liable for Miss M's loss as they did not consider that any proportionate intervention from Santander would have uncovered the scam.

Miss M disagreed with the investigator's opinion, so as no agreement could be reached this case has now been passed to me for 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.

Having done so, I've reached the same overall outcome as the investigator, I'll explain why.

It's not disputed that Miss M authorised the payments that are the subject of this complaint. So as per the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Miss M is responsible for them. That remains the case even though she was the unfortunate victim of a scam.

Because of this, Miss M is not automatically entitled to a refund. But the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

Taking the above into consideration, I need to decide whether Santander acted fairly and reasonably in its dealings with Miss M, or whether it should have done more than it did.

In this case, I consider that, at least by the time of the payments made to the scam on 25 December 2023, Santander should have taken steps to ensure that Miss M was not at risk of financial harm. I say this because these were unusually high payments given her usual account usage, with several payments being sent in a short period of time on the same day to a relatively new payee, and with some payments via an international money transfer service, this was not usual activity for Miss M's account. The amounts Miss M had been sending had also been steadily increasing over the previous few days.

I can't see that Santander did take any steps to intervene in the payments. And I think that it would have been appropriate for Santander to have tried to identify why Miss M was making these payments and then provide appropriate warnings (or further intervention) based on what it was told. However, with all I've seen about the interactions Miss M had with R, both about her account and her brother's account, I'm satisfied that any reasonable intervention from Santander would not have stopped Miss M from proceeding with the payments.

I say this because Miss M does not appear to have been honest with R about what she was making the payments for. During her online chat conversations with R she was asked questions about why she was making payments but does not appear to have indicated at any stage that she was making payments as part of a job. It is also clear from Miss M's correspondence with the scammer that she was forwarding screenshots to them of the questions R was asking her, and following the scammer's guidance on what to say and do.

Miss M has said that she was not in correspondence with the scammer on 25 December, but the records she has sent us do not support that, they show that she did exchange messages with the scammer that day. With this in mind, it is difficult to say that Miss M would have been honest with Santander if it had also questioned her about the payments she was making. I think the evidence suggests it is more likely she would have asked the scammer what she should do if questioned and that she would then have followed their advice, as she did when R questioned her. When customers are not honest with banks it makes it very difficult for that bank to provide an appropriate and relevant warning that could stop a scam.

Miss M has said that Santander was her main bank, and so she trusted them more than she did R. She says this means she would have been honest with Santander if she had been asked by them about the payments she was making. But I don't think I can reasonably say that would have been the case, given what Miss M went on to do.

I think it is very likely that Miss M would have continued to follow the scammers instructions if questioned by Santander, whether that be via an automated questionnaire or direct contact. And given that Miss M also appears to have taken steps to use different accounts, belonging to her brother, when she was unable to use her own, I think it is more likely than

not that Miss M was set on making these payments and that any further intervention would have been unlikely to stop her making payments to the scam.

With this in mind, I don't consider that Santander missed an opportunity to prevent Miss M's loss.

I've also thought about whether Santander did all it could to try to recover Miss M's funds when she told it of the scam. But given that the payments Miss M made were to her own account, I don't consider there is anything Santander could have done to recover those funds.

I'm sorry to disappoint Miss M as I know that she has lost a significant amount of money. But, overall, I'm satisfied that any reasonable, proportionate intervention from Santander would not have prevented Miss M from making further payments to the scam. It follows that I don't think Santander is liable for her loss and won't be asking it to refund any of her losses to her.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 10 April 2025.

Sophie Mitchell
Ombudsman