

The complaint

Mr M complains that Santander UK Plc has failed to refund money he lost to a scam.

What happened

Mr M was contacted on social media by someone who, after exchanging some messages, told him about an investment opportunity with a company I will call K. Mr M visited K's website and opened an investment account, and on 23 February 2024 he made an investment of £20,000. This money was sent from Mr M's Santander account to his account with an investment platform (which I'll call E), where it was converted to cryptocurrency before being sent on to K.

Mr M was able to see his investment on K's website and believed he was making good profits. But when his account was frozen and he was unable to make withdrawals, he became concerned, and when K told him he would have to pay tax to access his profits he realised he had been the victim of a scam.

Mr M got in touch with Santander, and it looked into what had happened, but ultimately told Mr M that it did not think it was liable for his loss. It said the loss had been from his investment account with E, not from his Santander account, and so did not feel it had any liability for what had happened.

Mr M wasn't happy with Santander's response, so he brought a complaint to our service. An investigator looked into Mr M's complaint, but they felt that in light of Mr M's past account history the payment to the scam was not unusual enough to have merited any direct intervention from Santander. So, they did not think Santander had missed an opportunity to prevent the scam and therefore did not recommend a refund of any of Mr M's loss.

Mr M did not agree, so his complaint 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.

It isn't in dispute that Mr M authorised the payment that is the subject of this complaint. And the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made. There are though some circumstances in which a bank may still be reasonably expected to reimburse a customer for payments made to a scam.

This payment was not covered by the Lending Standards Board's Contingent Reimbursement Model Code, as it was a payment to another account in Mr M's name. So, Mr M is not entitled to reimbursement under that code. However, I've considered whether Santander should have done more to prevent Mr M from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the

circumstances surrounding a particular transfer. For example, if it was particularly out of character.

But Santander has a difficult balance to strike in how it configures its systems to detect unusual activity or activity that might otherwise indicate a higher than usual risk of fraud. There are many millions of payments made each day, and it would not be possible or reasonable to expect a bank to check each one. And, in situations where Santander do intervene, I would expect that intervention to be proportionate to the circumstances of the payment.

In this case, Mr M's Santander account demonstrated a pattern of very similar transactions to the scam payment in the months prior to it being made. Specifically, it appears that Mr M had been making payments to his investment account at E for at least a year, and in the months immediately prior to the scam payment those transactions had increased in value. For example, in January and early February 2024 Mr M made three payments to E for between £10,000 and £20,000. In addition, since early 2024 Mr M had begun to make much higher value payments regularly from his Santander account, there were eight payments in this period that were between £10,000 and £50,000 (including the payments Mr M made to E).

So, with this account history in mind, by the time Mr M made the £20,000 scam payment on 23 February 2024 he had an established pattern on his Santander account of high value payments and of payments to his account at E. And I think it's also important to consider that the payments were being made to an account in Mr M's name, which would have provided some level of reassurance to Santander about the legitimacy of the payments. I'm aware that E is involved in the cryptocurrency market – and evidently it appears Mr M's funds were used to buy cryptocurrency – but E also provides a platform for a variety of other, lower risk, investments. So, given Mr M's established relationship with E, the scam payment would not therefore have appeared as particularly high risk or unusual to Santander given this background.

But in any case, Santander did ask Mr M what this payment was for via an automated pop-up, and provided him with a short warning about investment scams. Given what it knew about Mr M's account history, I don't consider that any further intervention was warranted at this stage.

So, with all this in mind, I'm satisfied that it was reasonable for Santander not to question Mr M directly about the payment he made to the scam. It follows that I don't consider that Santander missed an opportunity to uncover the scam Mr M was a victim of. I therefore don't think it could reasonably have done more to prevent his loss, and so I won't be asking it to refund those losses to Mr M.

I've also thought about whether Santander could have done more to recover the funds after Mr M reported the fraud. But I'm satisfied that it could not have done more here. The payments were for the purchase of cryptocurrency, via Mr M's own investment account at E, so there would not have been any basis for Santander to request the return of those funds.

I appreciate this will be very disappointing for Mr M, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded that Santander can fairly or reasonably be held liable for his loss in these circumstances.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 October 2025.

Sophie Mitchell
Ombudsman