

The complaint

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

What happened

On 27 February 2025 I issued my provisional decision on this complaint. I wanted to give both parties a chance to provide any further evidence and arguments before I issued my final decision. That provisional decision forms part of this final decision and is copied below.

"What happened

In July 2023 Mr R says he was spontaneously added to a group chat on an instant messenger platform by someone he didn't know. On the group chat, people were discussing crypto investments. Mr R says he was shown pictures which persuaded him he could make significant investment profits. He'd previously invested in cryptocurrency and was told to message a named individual if he was interested. He later discovered that person was a scammer.

Mr R says he was told the scammer worked for a company I'll call 'C', and that the scammer would make investments on his behalf. The scammer seemed knowledgeable about trading and investing. Mr R was given a link to a professional website, which had a secure padlock sign, and gave live rates. Mr R said he'd previously used another investment site which looked the same. He said that he'd researched C's name and it seemed a genuine trading company.

Mr R says the scammer told him to set up an account in his own name with an online payment platform ('A'), which I understand was not based in the UK. Mr R did so and used his Santander debit card to make an initial payment to his account with A of £1,200. He says this payment was then converted to cryptocurrency and paid to C. He understood this first payment was for a membership fee and to make investments. Mr R saw on his online "account" with C that his profits were rising. Reassured by this he made several more payments to C. He says the payments included various fees, including an upgrade fee, a re-commitment fee to give him higher returns, a commission fee and tax.

Mr R says he became concerned when the scammer told him he would have to pay a fee of £6,900 to access his profits. But he felt he had no choice but to pay that amount to recover his payments and profit. He paid this "fee" but still didn't have access to his money. It was at that point that he realised he had fallen victim to a scam.

Mr R transferred a total of £18,250 to A as follows:

	Date	Payment type	Amount
1	22 July 2023	Debit card	£1,200
2	26 July 2023	Debit card	£4,000

3	27 July 2023	Debit card	£850
4	30 July 2023	Debit card	£150
5	30 July 2023	Debit card	£5,000
6	30 July 2023	Debit card	£150
7	1 August 2023	Debit card	£6,900

In October 2023 Mr R reported the scam to Santander. But Santander said it could not be held responsible for Mr R's loss. Mr R complained, through a professional representative.

Santander did not uphold his complaint. It said Mr R had authorised the payments to an account with A in his own name using a debit card. The payments did not fall within the scope of the Contingent Reimbursement Model ('CRM').

Unhappy with Santander's response, Mr R came to us. He thought Santander should have questioned the payments he was making, which he said were unusual and in keeping with a fraud pattern.

Our Investigator looked into the complaint. He clarified that Mr R had not made a claim to A for his loss. Our Investigator upheld Mr R's complaint in part for the following main reasons:

- Mr R had authorised the payments. But Santander should reasonably have recognised that the second payment of £4,000 was unusual and out of character. The payment was made to A (a payment platform well known to provide cryptocurrency facilities) and Santander should reasonably have intervened. If it had asked Mr R relevant questions and given him a tailored written scam warning, the spell would have been broken and Mr R would have been unlikely to send further money to the fraudsters.*
- But Mr R had contributed to the loss he had suffered. The scam appeared to offer unrealistic returns and Mr R could reasonably have taken some independent financial advice before investing. As such, it was fair that Mr R bear 50% of the loss. So Santander should pay Mr R 50% of payments 2 to 7 inclusive plus 8% simple interest.*
- Santander had fairly concluded that any chargeback claim would not have succeeded.*

Mr R accepted our Investigator's recommended settlement. But Santander did not and asked for an Ombudsman's review. In summary, it said:

- Mr R's claim lay with A, being a genuine financial technology company.*
- The Supreme Court's binding decision in Philipp v Barclays Bank UK plc said that a bank is required to execute a customer's clear payment instruction where their account is in credit. This is a "strict duty" and the bank must carry out the instruction promptly without concerning itself with the "wisdom or risks of [the] customer's payment decisions." In this case, Mr R's account was in credit and Santander executed the payment in accordance with its "duty" to the customer.*
- This Service has suggested it act in breach of its strict legal duty to the customer by refusing to make the payments or questioning their validity. This position is untenable given the Philipp decision, so it has asked us to review the case again.*

What I've provisionally 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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must take into account what I consider to have been good industry practice at the time.

I've reviewed all the available evidence, including Mr R's telephone conversations with Santander in October 2023 when he reported the scam.

In broad terms, the starting point at law is that banks and other payment service providers ('PSPs') are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. And I have taken that into account when deciding what's fair and reasonable in this case.

It's not in dispute here that Mr R fell victim to a cruel scam. He accepts that he authorised the debit card payments he made to A - a payment platform that can be used for cryptocurrency transactions - before the money was transferred in cryptocurrency to the scammers.

The starting point is that banks ought to follow the instructions given by their customers in order for their legitimate payments to be made as instructed. So Mr R is presumed to be liable for the loss in the first instance, in circumstances where he authorised the payments.

But I've gone on to consider whether Santander should reasonably have taken any steps to intervene. As a matter of good industry practice, Santander should have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there are many payments made by customers each day and it's not realistic or reasonable to expect Santander to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments (allowing customers ready access to their funds).

Overall, taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in July and August 2023 that Santander should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;*
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;*
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;*
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice banks including Santander do).*

Santander has referred me to the Supreme Court's judgment in Philipp v Barclays Bank UK

plc [2023] UKSC 25 ('Philipp'). I've taken that case into account in reaching my findings.

The Supreme Court reiterated in Philipp that, subject to some limited exceptions banks have a contractual duty to make payments in compliance with a customer's instructions.

In that case, the Supreme Court considered the nature and extent of the contractual duties owed by banks to their customers when making payments. Among other things, it said, in summary:

- The starting point is that it is an implied term of any current account contract that, where a customer has authorised and instructed a bank to make a payment, it must carry out the instruction promptly. It is not for the bank to concern itself with the wisdom or risk of its customer's payment decisions.*
- The express terms of the current account contract may modify or alter that position. For example, in Philipp, the contract permitted Barclays not to follow its customer's instructions where it reasonably believed the payment instruction was the result of authorised push payment ('APP') fraud; but the court said having the right to decline to carry out an instruction was not the same as being under a duty to do so.*

In this complaint, the terms and conditions of Santander's contract with Mr R at the time gave it rights (but not obligations) to make a payment when it had reasons to believe that a payment could reasonably be connected to a fraud or scam and could delay payments where such activity was suspected, and it may undertake further checks before processing a payment.

So Santander was not required by the implied terms of its contract with Mr R and the Payment Services Regulations to carry out Mr R's instructions promptly and (as Philipp reiterated) it was not under a contractual duty or obligation to concern itself with the wisdom of Mr R's payment decisions.

But the requirement to carry out an instruction promptly does not mean immediately¹. And while Santander was not required or obliged under its contract with Mr R to concern itself with the wisdom of Mr R's payment decisions – for example by making fraud related enquiries – the contractual requirement to make payments promptly did not prevent it from doing so either.

Santander could comply with the requirement to carry out payments promptly while still giving fraud warnings, or making further enquiries, prior to making the payment.

Whilst the current account terms did not oblige Santander to make fraud checks, I do not consider any of these things (including the implied basic legal duty to make payments promptly) precluded Santander from making fraud checks before making a payment.

And as I've explained, I am satisfied that, taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, Santander should in July 2023 fairly and reasonably 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.

Should Santander have recognised that Mr R was at risk of financial harm from fraud and

¹ The Payment Services Regulations 2017 Reg. 86 states that "the payer's payment service provider must ensure that the amount of the payment transaction is credited to the payee's payment service provider's account **by the end of the business day following the time of receipt of the payment order**" (emphasis added).

taken steps to warn him?

I need to decide whether Santander acted fairly and reasonably in its dealings with Mr R when it processed the debit card payments. All seven payments as set out above were made to the same payment platform A. Santander says that A is a genuine financial technology company. My own research indicates that A is based outside the UK and provided a digital wallet and payment platform, through which customers could send and receive foreign currency and make a variety of payments, including cryptocurrency payments. I understand A is now part of a different company.

So from the evidence I've seen, it's not clear to me that A was identifiably a cryptocurrency platform. The key question here is whether the payments were sufficiently unusual or suspicious for Mr R's current account such that intervention from Santander ought reasonably to have been warranted.

There's a balance banks need to strike between identifying payments that could potentially be fraudulent and allowing customers ready access to their funds. Mr R was sending money to a payment platform abroad, but not all such payments are made as a result of a fraud or a scam.

As I understand it, Santander did not provide any warning (general or specific) in relation to Mr R's debit card payments. The payments were made using 3D secure and some required authorisation by way of a One Time Passcode ('OTP') sent to Mr R's phone.

Should Santander have given Mr R a warning? If so, at what point?

Payment 1

I don't think payment 1 of £1,200 was sufficiently unusual such that Santander ought to have recognised that Mr R was at risk of financial harm. Based on the account history, I can see that the payment was higher than the amounts Mr R typically made on his account and he had not used his debit card to pay A previously. But Mr R had a pre-existing relationship with Santander and, as I've said, there was a balance to be struck. I don't think the payment was so unusual such that Santander should have provided any warning to Mr R.

Payment 2

A few days later, on 26 July 2023 Mr R made payment 2 of £4,000 to A.

By July 2023, banks such as Santander had been aware of the risk of multi-stage scams (that is scams involving money passing through more than one account controlled by the customer before being passed to the fraudster) for some time. I think Santander should have provided Mr R with a written warning at the point he made payment 2 of £4,000. The payment was a significant amount being made to a platform based outside the UK. It was the largest payment Mr R had made based on the account history of the previous six months and followed a credit into his Santander account of £5,000 earlier that day. The transaction was unusual. I think a proportionate response to the risk this payment presented would have been for Santander to provide an online written warning that broadly covered scam risks.

But I'm not currently persuaded that Mr R's loss would have been prevented had Santander given him an online written warning at this point. It's not clear that a warning would have resonated with him at the time. He believed he was making an investment with a genuine company that he'd researched and that he was making profits.

I've explained why I don't currently consider that Santander should have recognised that

Mr R was at risk of a cryptocurrency scam because A was not, from the evidence I've seen, a cryptocurrency platform. But for completeness I've also considered what should have happened if I'd have concluded that Santander should have identified that payment 2 was being made to a cryptocurrency platform.

By July 2023 high street banks had taken steps to either limit their customer's ability to purchase cryptocurrency using their bank accounts or increase friction in relation to cryptocurrency related payments, owing to the elevated risk associated with such transactions. Santander ought fairly and reasonably to have recognised that its customers could be at an increased risk of fraud when using its accounts to purchase cryptocurrency, notwithstanding that the payment would often be made to a wallet in the customer's own name.

If it had identified the risk of a cryptocurrency transaction, Santander ought fairly and reasonably to have provided an online written warning that should have highlighted in clear and understandable terms, the key features of common cryptocurrency investment scams, for example referring to: an advertisement on social media, promoted by a celebrity or public figure; an 'account manager', 'broker' or 'trader' acting on their behalf; the use of remote access software and a small initial deposit which quickly increases in value.

I recognise that a warning of that kind could not have covered off all scenarios. But I think it would have been a proportionate way for Santander to minimise the risk of financial harm to Mr R by covering the key features of scams affecting many customers but not imposing a level of friction disproportionate to the risk the payment presented.

But I'm not currently persuaded that Mr R's loss would have been prevented had Santander given him a cryptocurrency scam warning (rather than a written warning that broadly covered scam risks) at this point. I say this because it's not clear to me the appropriate warning would have resonated with Mr R at that time for the reasons I've already given and as follows. He'd been contacted on an instant messenger, rather than responding to an advertisement and had previously traded in cryptocurrency. He believed that the scammer worked for a well-known company that he'd researched and was satisfied (at that time) was legitimate. He was being asked to pay fees to upgrade his investment and his "account" showed he was making profits.

Payments 3, 4 and 5

Payments 3 and 4 were for smaller amounts and I don't think they should reasonably have triggered a further intervention. But payment 5 was for £5,000 and the total amount Mr R had paid to A over one week was more than £11,000. I think at payment 5 Santander should have made a human intervention by calling Mr R and asking him some additional, probing questions about the payments he was making. This would include questions about his investment, the reason he was sending repeated payments to A and how he had satisfied himself about the validity of the investment.

Mr R says he'd not been prompted by the scammer to give a false answer to any questions from his bank. I think that at payment 5 it is likely that a human intervention would have uncovered the scam and broken the spell, not least as I see that Mr R himself was starting to have doubts about the "fees" he was being asked to pay before he could receive his profits. In my opinion, being questioned about the payments he was making would have led Mr R to pause and take a closer look at C, as he did after he was asked to make an additional payment after his payment 7 on 1 August 2023. He would have identified that C's name was a close but not identical match to the company he believed he had been dealing with it and that it was not regulated in the UK. This would have revealed the scam and prevented further loss.

Is it fair and reasonable for Santander to be held responsible for some of Mr R's loss?

Santander has suggested that Mr R should make a claim against A, the payment platform that provided the wallet to allow him to transfer cryptocurrency to the fraudster. Mr R says that he has not made a complaint against A.

As I understand it, A is not a regulated business in the UK. In any event, Mr R has not made a complaint about A and I have no power under our dispute resolution rules (DISP) to instruct Mr R to make a complaint about another business.

In reaching my decision about what is fair and reasonable, I've taken into account that Mr R paid money using his Santander account into an account in his own name, rather than directly to the scammer, so he remained in control of the money after he made the payments and there were further steps before the money was lost to the scammer.

However, for the reasons I've explained, I am satisfied that it would be fair to hold Santander responsible for Mr R's loss from payment 5 on 30 July 2023, subject to a deduction for Mr R's own contribution towards his loss. I've also explained why the potential for multi-stage scams, particularly those involving cryptocurrency, ought to have been well known to Santander. As a matter of good practice, I consider it fair and reasonable that Santander should have been on the look-out for payments presenting an additional scam risk including those involving multi-stage scams.

Should Mr R bear any responsibility for his loss?

Mr R has accepted that he should bear a 50% responsibility for his loss, although that was in response to our Investigator's recommendation that Santander make a higher payment to him than my proposed award. But for completeness, I will explain why I think Mr R does bear some responsibility for his loss.

In doing so, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint. This includes taking into account Mr R's own actions and responsibility for the loss he has suffered.

He believed C to be a genuine company (and only later realised that C's name was slightly different from the company he thought he was dealing with). He's explained that he saw some profits before sending further money to C. I can imagine this would have given some validation to the "investment".

But, at its heart, the scam appears to have had some features that made its plausibility questionable (although not completely so) at the time Mr R made payment 5. Mr R was spontaneously included in a group chat which reassured him the "investment" would give him high returns, although he's not explained how he thought he'd earn those returns. Mr R had been promised "huge profits" but doesn't seem to have questioned how those profits would be realised or how the investment would work. I've seen that Mr R thought he was dealing with company C. But the name of the company contained an incorrect spelling of the word mining as "Minning". That said, I appreciate that the website address showing trading figures appeared to him to be a genuine crypto company.

The basis for Mr R's investment is not clear. He was asked to make payments for various "fees" without any clear information about how he would be able to withdraw his money and profits. From his telephone calls with Santander he acknowledged that having to pay repeated fees seemed unusual and he was on a "slippery slope". So I think it is fair that he bears some responsibility for his loss.

For the avoidance of doubt, it is not my finding that Mr R knew that he was likely falling victim to a scam and went ahead anyway. Rather my finding is that it seems – to some extent – that he was prevented from withdrawing his money without making further payments. I think he could have realised from this and the way he was introduced to the scheme in the first place, that there was a possibility the investment wasn't genuine and that he might not recover his money. In those circumstances, it would not be fair for me to require Santander to compensate him for the full amount of his loss.

Could Santander have done anything to recover Mr R's money?

I don't think it was likely any chargeback attempt would have been successful in circumstances where Mr R made a payment to an account in his own name, the money had quickly been converted to cryptocurrency and then paid to the fraudsters. In any event, Mr R didn't report the scam to Santander until October 2023, which was over two months after he fell victim to the scam. I don't think it is fair and reasonable to conclude that Santander should have done anything to try to recover Mr R's money in these circumstances.

My provisional decision

For the reasons I've explained, my provisional decision is that I intend to uphold this complaint in part and to require Santander UK Plc to pay Mr R:

- £6,025 being 50% of £12,050 represented by payments 5 to 7; and
- Simple interest* of 8% per annum on £6,025 from 30 July 2023 to the date of settlement.

**If Santander considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr R how much it's taken off. It should also give Mr R a tax deduction certificate if he asks for one, so Mr R can reclaim the tax from HM Revenue & Customs if appropriate."*

Responses to my provisional decision

Neither Santander nor Mr R accepted my provisional decision.

Santander responded to say:

- I had said in my provisional decision that Santander should be aware of the potential for multistage scams, particularly ones involving cryptocurrency and should have been on the lookout for payments presenting an additional risk. But I also acknowledged in my provisional decision that it was not clear A was identifiably a cryptocurrency platform.
- As the payments were made by debit card, Santander would check only that Mr R was making the payment. And here he'd authorised the disputed payments himself by an OTP sent to his registered mobile number. He'd previously made payments successfully with no concerns or disputes raised, so Santander had no viable reason to prevent his payments going forward.
- The correct process has been followed as debit card payments are processed differently from bill payments.

Mr R responded, through his representative to say:

- He referred me to six recent final decisions issued by my ombudsman colleagues in

late 2024 and early 2025 against various firms including Santander. The cases refer to Philipp v Barclays and some to the Contingent Reimbursement Model ('CRM'), all of which were taken into account when the decisions were made. He listed the way in which he considered the circumstances in those cases were very similar to his own but the consumers received more favourable awards than the one I proposed in my decision. In some cases, the consumers were awarded 50% of the total loss and in one case 100% of their loss.

- It was unfair to conclude that he could reasonably have realised the investment wasn't genuine. This was a sophisticated scam and it appeared that he was being "*punished further*" as compared to the consumers in the cases he'd referenced. This didn't seem fair or impartial.
- Despite the referenced cases having similar circumstances, Santander's safeguarding system didn't kick in at all in this case – unlike in the other cases.
- His account showed very low activity and minimal spending. A transfer in or out of £1,000 plus should have been the cause for concern and flagged, as this happened within a few days. Santander was familiar with sophisticated scams that were on a massive increase at the time, and he referred to protection mechanisms in one of the referenced cases.
- If Santander had intervened and asked him simple questions, there's no reason for him not to explain that he was making payment for a cryptocurrency investment. Santander should have intervened at the point of his first deposit/transfer withdrawal and explained common cryptocurrency scams and how they operate – particularly around paying money for high returns or to release money. Had Santander done so, it's possible he would have looked into things further or changed his mind. But he was not contacted by Santander and he was "completely neglected".
- Based on the cases, it's possible to hold Santander 100% responsible for his losses, if not 100% from the second payment because it failed to safeguard him using its security mechanisms – and here he referred to a decision in a case against a different firm.
- Santander's payment mechanisms implemented in November 2022 had a limit of £1,000 per transaction and £3,000 in any 30-day rolling period. I should rule that Santander should refund all Mr R's money from the first payment, based on this alone. At worst, I should rule that Santander bears 50% responsibility from the second payment as recommended by our Investigator.
- He referred me to the legislation he considered relevant, to include the Payment Services Regulations 2017; the Consumer Protection from Unfair Trading Regulations 2008 and the Financial Services and Markets Act ('FSMA') 2000.

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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must take into account what I consider to have been good industry practice at the time.

I've carefully considered all the comments I've received in response to my provisional decision. Having done so, I still consider a fair outcome is for Santander to refund Mr R from Payment 5, with a 50% contribution by Mr R. I will focus on the issues that I consider to be central to this complaint.

I've referred to what I consider to be relevant law and regulations in my provisional decision. I quoted regulation 86 of the PSR 2017 in support of my point that Santander could make payment checks and still comply with the requirement to make payments promptly.

I've noted the other legislation to which Mr R has referred. And I've explained the point at which I consider Santander should reasonably have identified Mr R might be at risk of financial harm.

I decide each complaint based on its own individual facts and merits and on what I consider to be fair and reasonable in all the circumstances. I am not bound by decisions reached by my ombudsman colleagues and it's often the case that fine distinctions between cases can lead to different outcomes.

Mr R has referred to decisions which include references to the CRM Code. I've noted this point but as I've explained the CRM Code doesn't apply in his case because his payments were made to an account outside the UK.

In Mr R's case, I've not been given any evidence to persuade me that A – the platform to which his debit card payments were made – was identifiably a cryptocurrency platform. All the cases to which Mr R has referred me involved payments identifiably to a cryptocurrency exchange or platform.

Mr R has drawn my attention to Santander's payment mechanisms implemented in November 2022 where it applied limits of £1,000 per transaction and £3,000 in any 30-day rolling period. But the limits Santander imposed applied to payments to cryptocurrency exchanges. I've found in this case that Mr R's payment was not identifiably being sent to a cryptocurrency exchange. So those limits would not apply.

I've considered Mr R's argument that he thinks Santander should have intervened - at the point of his first deposit and transfer - to explain common cryptocurrency scams. But I don't consider the payment was sufficiently unusual such that Santander should have intervened at this point.

I consider Santander should reasonably have intervened at Payment 2. But I remain of the view that a proportionate response to the risk this payment presented would have been for Santander to provide an online written warning that broadly covered scam risks.

Mr R has explained why he thinks an online written warning broadly covering scam risks would have resonated with him at the time. I've thought about the points he's made. But I'm not persuaded that a warning about scam risks would have prevented his loss. He'd previously invested in cryptocurrency and at this point considered he was making a genuine investment.

Santander was aware of multistage scams at the time Mr R made the card payments. I've noted its point about cryptocurrency. And I've found that Mr R's card payments weren't identifiably to a cryptocurrency exchange. I've also noted Santander's point that Mr R was make card payments, which he'd authorised and that these payments are processed differently from bill payments.

But I remain of the view that Payment 5 should have triggered a human intervention for the

reasons I've given in my provisional decision, and that further enquiries should have been made before Santander processed the payment. I consider this to be the case even though Mr R had made a card payment. As I said in my provisional decision

"...I am satisfied that, taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, Santander should in July 2023 fairly and reasonably 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."

So I've decided that at Payment 5 Santander should have made a human intervention by calling Mr R and asking him some additional, probing questions about the payments he was making. I think this would have revealed the scam and prevented further loss for the reasons I've explained in my provisional decision.

As I've said, the other decisions to which Mr R has referred relate to payments identifiably to cryptocurrency exchanges. And I note that the consumers' redress was reduced by 50% in all but one of those cases. The case where my ombudsman colleague decided the financial business should bear 100% of the responsibility was, in my view, different because in that case there was a sophisticated fraud where the fraudster was impersonating a legitimate company.

I've explained why I think there were some aspects of the fraud in Mr R's case which should reasonably have made its plausibility questionable. As I explained in my provisional decision, Mr R was promised huge profits without questioning how those profits would be realised or how the investment would work. The name of the company he was dealing with was spelt incorrectly and he was asked to pay repeated fees, which he himself said was unusual. So I think it's fair for Mr R to bear some responsibility and I remain of the view that a 50% deduction is fair and reasonable in the circumstances of this complaint.

It's not my intention to blame or "punish" Mr R for what happened. He fell victim to a cruel scam that was designed to deceive and manipulate its victims. Rather, I am making an assessment about whether Santander should be responsible for his losses, in full or in part. And as I've explained I have taken into account what the law says about contributory negligence. In this case I consider Santander was partly responsible, for the reasons I've explained.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part and require Santander UK Plc to pay Mr R:

- £6,025 being 50% of £12,050 represented by payments 5 to 7; and
- Simple interest* of 8% per annum on £6,025 from 30 July 2023 to the date of settlement.

*If Santander considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr R how much it's taken off. It should also give Mr R a tax deduction certificate if he asks for one, so Mr R can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 April 2025.

Amanda Maycock
Ombudsman