

The complaint

Mr O complains Santander UK Plc won't refund the full amount of money he lost to a scam.

What happened

Mr O made a payment to what he thought was a legitimate investment buying shares. When Mr O realised he had been scammed, he logged a complaint with Santander.

Santander looked into the complaint but didn't uphold it. So, Mr O brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think the payment was of a value that ought to have triggered Santander's automatic checking systems.

Mr O didn't agree with the investigator's view. So, the complaint has been passed to me to decide.

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 very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I've thought carefully about whether Santander treated Mr O fairly and reasonably in its dealings with him, both when he made the payment and when he reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Mr O's complaint. I know this will come as a disappointment to Mr O and so I want to explain why I've reached the decision I have.

I have kept in mind that Mr O made the payment himself, and the starting position is that Santander should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr O did not intend for his money to ultimately go to fraudsters – but he did authorise the payment to take place. However, there are some situations when a business should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant law and regulations; regulators' rules, guidance, and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the

time – Santander should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

I have reviewed the payment Mr O made to the scam. Having considered when it was made, its value and who it was made to, I'm not persuaded Santander ought to have found the payment suspicious, such that it ought to have made enquires of Mr O before processing it. Having taken into account Mr O's usual spending on the account leading up to the scam, I'm not convinced the payment reached a value that I think would have caused Santander any concern that Mr O might be at risk of financial harm.

In relation to the recovery of the payment, I agree with the investigator when she's said that the time that passed between the payment being made and the scam being reported would have made it unlikely that any funds remained.

Mr O feels that Santander should refund the money he lost due to the scam. I understand that this will have been frustrating for him. But I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Santander needs to pay Mr O any compensation. I realise this means Mr O is out of pocket and I'm sorry he's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 25 October 2025.

Tom Wagstaff
Ombudsman