

The complaint

Mr O complains that Santander UK Plc won't reimburse him with money he lost to a scam.

What happened

In the period from 13 March 2018 to 22 February 2022 Mr O used his Santander account to make six card payments totalling £6,102.25 to three cryptocurrency providers. He then transferred the money to an investment, which later turned out to be a scam.

Mr O complained to Santander in November 2024, when he found that the investment company had stopped any withdrawals and wasn't a regulated entity. Santander said he'd raised the disputed payments too late. Mr O brought his complaint to us. He said he should receive a refund under the Contingent Reimbursement Model (CRM). He also complained to us about scam payments he'd made from his account with another bank, which I'll call M, and which we've considered separately.

Our Investigator explained that the transaction made on 13 March 2018 was not one we could investigate because of the amount of time that had elapsed since Mr O both made the transaction and would reasonably have been aware he didn't receive the expected profits. Mr O had not told us about any exceptional circumstances for not raising his complaint earlier. So our Investigator concluded the complaint about the 13 March 2018 payment was brought to us out of time under our rules.

For the remaining transactions made from 17 April 2020 to 22 February 2022, our Investigator said they didn't fall under the scope of the CRM. He didn't think any of the remaining five payments looked suspicious such that Santander ought to have made additional checks before processing any of them. He said Santander couldn't reasonably have recovered Mr O's money.

Mr O didn't agree with our Investigator's view and asked for an Ombudsman's 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.

This decision is confined to Mr O's complaint about Santander. His complaint about his other bank M will be decided separately.

Mr O hasn't specifically objected to our Investigator's finding that we can't look at his complaint about the first payment under our rules. Mr O hasn't told us about any exceptional circumstances which prevented him from bringing the complaint earlier. For completeness, I don't think he brought his complaint about the first payment within the time limits set out under our rules. But even if he had – for the same reasons as I will set out below about the remaining scam payments – I cannot see there are any grounds on which I would say it should be refunded to Mr O.

It isn't in dispute that Mr O authorised the disputed card payments. He is therefore presumed liable in the first instance. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Santander ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

In saying this I am aware that banks and Electronic Money Institutions (EMIs) should have been aware of the risk of cryptocurrency scams since at least January 2019 as the Financial Conduct Authority (FCA) and Action Fraud published warnings about them in mid-2018. But at the time Mr O made the payments banks and EMIs didn't need to automatically treat payments to cryptocurrency providers as carrying a significantly heightened risk of fraud.

There's a balance banks and EMIs need to strike between identifying payments that could potentially be fraudulent and allowing customers ready access to their funds. Not all crypto-related payments are made as a result of a fraud or scam.

Mr O's payments don't fall under the CRM because they are card payments made to accounts held in his own name. But we can still consider whether Santander should have been aware Mr O was at a heightened risk of fraud and whether it should fairly have intervened.

I've reviewed Mr O's account and the payments he made to the cryptocurrency providers. Having considered when the payments were made, their value and who they were made to, I'm not persuaded Santander ought to have made enquiries of Mr O before processing them.

Mr O made the disputed payments over a period of just under two years (or four years if the initial payment had been included). I don't think any individual payment was such a large amount such that it ought to have raised suspicions for Santander. This means that I don't consider Santander should have intervened to provide any scam warnings before processing the payments in line with Mr O's authorisation.

Finally, I don't consider Santander could have successfully recovered the payments, as Mr O had authorised them and they'd been used to purchase cryptocurrency many years before he raised his complaint.

I appreciate Santander said Mr O had brought his complaint about the disputed payments too late under the relevant Payments Services Regulations (PSRs). But he was able to bring his complaint to this Service and Santander then gave us its file and its comments on his complaint. I don't consider the poor service is such that Mr O suffered material inconvenience, so I can't fairly award any compensation to him for this.

I am sorry to hear that Mr O has lost money to a scam. But for the reasons I've explained I can't fairly require Santander to compensate him in full or in part.

My final decision

For the reasons I've explained, 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 28 October 2025.

Amanda Maycock
Ombudsman