DRN-5528296

The complaint

Mr M has complained that Santander UK Plc won't refund the money he lost after falling victim to a scam.

What happened

In late 2023, Mr M was texted out of the blue by a scammer, who pretended to have accidentally messaged the wrong number. The scammer continued to talk to Mr M under the guise of building a romance, then once they'd gained his trust they persuaded him to invest in a cryptocurrency scheme.

Over the course of several months, Mr M made various payments between his own accounts, then he ultimately bought crypto and sent it on to the scammer's platform. From his Santander account, Mr M sent around £21,000 in various card payments and transfers to his accounts at other firms and cryptocurrency exchanges. In the end, Mr M was unable to withdraw his investment from the scammer's platform.

In 2024, Mr M reported the scam to Santander via representatives. Santander sympathised, but didn't think they were liable for Mr M's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr M's representatives asked for an ombudsman's final decision, so the complaint's 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 understand Mr M fell victim to a particularly cruel and manipulative scam, for which he has my sympathy. I appreciate that the scammer caused him a great deal of distress, and that this cannot have been an easy matter for him to face; and I appreciate why he would like his money back. It's worth keeping in mind that it's the scammer who's primarily responsible for what happened, and who really owes Mr M his money back. But I can only look at what Santander are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Santander liable for Mr M's loss. I'll explain why.

It's not in dispute that Mr M authorised the payments involved. So although he didn't intend for the money to end up with a scammer, under the Payment Services Regulations he is liable for the loss in the first instance. And broadly speaking, Santander had an obligation to follow his instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Santander should have been on the lookout for payments which could be the result of fraud or scams, though a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. I think Santander should have intervened here, so I'm glad to see that they did.

However, I find that the primary reason why Santander were unable to uncover or prevent the scam was because Mr M gave them a detailed and convincing cover story, which misled them and reassured them the matter was legitimate. Mr M constructed a detailed story about family troubles causing him to want to diversify his savings and keep them in smaller institutions, such that he didn't have all his eggs in one basket. He gave plausible, personal, and convincing details both when probed and also unprovoked of his own accord, so further reasonable probing was unlikely to have made a difference. Mr M's messages with the scammer demonstrate that he was determined to get his payments through, that he would tell his bank whatever they wanted to hear, and that he was very much under the scammer's spell. And while I do understand that Mr M had become close with the scammer and trusted them, I'm afraid his answers prevented Santander from reasonably being able to stop the loss or give Mr M relevant tailored warnings. So I cannot fairly hold Santander liable there.

Next, I've considered what Santander did to try to recover Mr M's money after he told them about the scam. As these were payments to Mr M's own accounts, they weren't covered by the CRM Code for scams, and the money had either already been sent on or was still available to Mr M in his own accounts anyway, so there was nothing more for Santander to do there. Regarding the card payments, there was no chargeback reason which would've been appropriate here. A chargeback would've been a claim against Mr M's own crypto exchanges rather than the scammer. And the exchanges provided the services they were supposed to. There was no realistic prospect of success for a chargeback, and chargebacks are voluntary, so Santander didn't need to try one in this case.

So while I'm very sorry to hear about what the scammer did to Mr M, I don't think Santander can fairly be held responsible for his loss. And so I can't fairly tell Santander to reimburse Mr M in this case.

My final decision

For the reasons I've explained, I don't uphold this complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 September 2025.

Adam Charles
Ombudsman