DRN-5564932

The complaint

Mrs B is unhappy Santander UK Plc ("Santander") hasn't reimbursed her after she fell victim to a scam.

What happened

The details of the complaint are well known to both parties, so I won't go into too much detail again here. However, in summary, Mrs B has been the victim of a scam. She was tricked into purchasing gift cards to the value of £8,150 and sending the details on to scammers who then utilised the funds. Mrs B purchased the gift cards in various stores using her Santander debit and credit card. I've detailed all of the scam payments in the table below:

Date	Account	Amount
08/07/2024	Debit	£500
10/07/2024	Debit	£3,650
11/07/2024	Debit	£1,000
14/07/2024	Credit	£500
14/07/2024	Credit	£500
16/07/2024	Debit	£1,500
29/07/2024	Credit	£500

Upon realising she had been the victim of a scam, Mrs B contacted Santander. Santander declined to offer Mrs B a refund of the amount she had lost. It said Mrs B had authorised the payments herself. The payments had also been made to genuine merchants and hadn't raised any suspicions at the time they were made so there was no reason to block them leaving her account. Santander went on to say that there wasn't anything further it could do to get Mrs B's money back, the funds had been used to purchase gift cards that had been provided to her and utilised.

Mrs B disagreed with what Santander said and brought her complaint to this service. One of our investigators looked into things.

Our investigator didn't uphold the complaint. They agreed with Santander that there wasn't anything about the card payments that meant Santander should've questioned them at the time. They also agreed that there wasn't anything Santander could've done to recover Mrs B's funds once notified of the scam.

Mrs B didn't agree with the investigator's findings and as an informal agreement could not be reached, the case has been passed to me for a final 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.

In deciding what's fair and reasonable, I'm required to take into account 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.

I'm really very sorry to hear about what's happened to Mrs B. I understand this scam has had a considerable impact on her well-being and her financial stability. I have significant sympathy for the situation she has found herself in. But having thought very carefully about what she's told us happened at the time and Santander's actions, I don't think it would be fair and reasonable for me to hold Santander liable for her loss. I'll explain why.

It is accepted that Mrs B authorised the purchase transactions herself. This means Mrs B is presumed liable for her loss in the first instance - where a valid payment instruction has been received, Santander's obligation is to follow the instructions that Mrs B provided. However, there are circumstances where it might be appropriate for Santander to take additional steps or make additional checks before processing a payment in order to help protect its customers from the possibility of financial harm from fraud. An example of this would be when a payment is sufficiently unusual or uncharacteristic that Santander should've identified it as concerning.

In such circumstances, I'd expect Santander to intervene and ask some questions about the intended payment before processing it. So, I've first thought about whether the payments Mrs B made could be considered out of character and unusual when compared with her usual account activity.

I've reviewed Mrs B's account statements for the months leading up to the scam, and I don't think any of the payments under discussion here were remarkable enough for them to have stood out to Santander and have prompted further discussion.

So, whilst I agree that the overall loss in this case is significant, I don't think any of the individual payments should've stood out to Santander. They were all relatively low in value, being made using Mrs B's genuine card and PIN. The payments were spread out over a number of days and were being made to well-known genuine merchants. And so, it wouldn't now be reasonable for me to say any of the payments should have stood out or looked so unusual when compared to Mrs B's genuine account activity that they should've prompted further checks by Santander before they were allowed to leave her account.

I also have to stress that, at the time, Santander wouldn't have known that Mrs B was making these payments at the instruction of a scammer. It is now only with the benefit of hindsight that we know that the payments were being made as the result of a scam. Banks have to strike a balance between processing payments as per their customer's instructions and monitoring accounts for unusual and potentially harmful activity. In the particular circumstances of this case, I don't think it would be fair or reasonable to say that Santander should've identified the payments Mrs B made as suspicious enough to warrant further checks.

I've also thought about whether Santander could've done more to help Mrs B once it was notified of the scam but I don't think it could. The funds had been used to make genuine purchases – and Mrs B had received the gift cards she had paid for. So there wasn't anything Santander could've done to recover the funds on Mrs B's behalf.

Finally, I want to say again that I am very sorry to hear about what has happened to Mrs B. But I don't think her loss was caused by any specific failing on behalf of Santander. The fault here lies with the cruel and callous acts of the scammers themselves.

My final decision

My final decision is that I do not uphold this complaint about Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs B to accept or reject my decision before 3 October 2025.

Emly Hanley Hayes
Ombudsman