

The complaint

Miss B complains about Santander UK Plc.

She says that she has been the victim of a scam and would like Santander to refund her the £5,000 she lost when she paid a rogue trader.

What happened

In February 2024, Miss B had some storm damage to her roof, a temporary fix was put in place while she was waiting for her insurance claim.

Soon after the temporary fix, a builder approached her home and told her that her roof was in a dangerous state and needed to be fixed urgently.

The builder assured her that it would be covered by her insurance and showed her his details on various websites.

Miss B agreed to the fix and paid £5,000. Work was supposedly completed mid-February. In June, Miss B noticed a leak in her home, and had another roofer come out to inspect what was going on. The builder informed her that the work she had paid for had not been completed, and actually there had been further damage caused.

Miss B complained to Santander about what had happened, but it didn't uphold her complaint.

Miss B then brought her complaint to this Service. Our Investigator looked into things and initially said that they didn't think Miss B's complaint should be upheld. However, when Miss B didn't agree, they attempted to mediate with Santander and said that they now thought her complaint should be upheld after all.

Miss B asked for a final decision, so the complaint was passed to me. I have previously written to Santander explaining that I also thought Miss B's complaint should be upheld – but it didn't agree and asked some questions about my reasoning.

As no informal resolution was reached, I will now issue 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.

Having done so, I have decided to uphold this complaint in full. I know that Santander has asked some further questions, so I will answer those as part of my decision.

In broad terms, the starting position at law is that a bank such as Santander is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (PSR's - in this case the 2017 regulations) and the

terms and conditions of the customer's account. It isn't in dispute that Miss B authorised the payments – so the starting point is that she is liable for the transactions. But Miss B also says that she has been the victim of an authorised push payment (APP) scam.

Santander was signed up to the voluntary CRM Code, which provides additional protection to scam victims. Under the CRM Code, the starting principle is that a firm should reimburse a customer who is the victim of an APP scam (except in limited circumstances). But the CRM Code only applies if the definition of an APP scam, as set out in it, is met.

I have set out the definition of an APP scam as set out in the code below.

... a transfer of funds executed across Faster Payments...where:

- (i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or*
- (ii) The Customer transferred funds to another person for what they believed were legitimate purposes, but which were in fact fraudulent.*

The CRM Code is also explicit that it doesn't apply to private civil disputes. The wording in the code is as follows:

"This Code does not apply to:

- b) private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services, or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier."*

I've considered whether the payments Miss B made to the builder fall under the scope of an APP scam as set out above – and having done so I think that they do.

From the information I have been provided with, it seems clear to me that the builder took advantage of Miss B. They approached her property while she was having a temporary fix on her roof and explained that they could fix this for her – and I think it is clear that they didn't have any intention of completing the work that was discussed. From the report from the builder who remedied the work, the initial builder cosmetically 'fixed' the issue, but didn't complete the work as discussed, rather they caused more damage than was originally there. Miss B took the builders word that the work had been completed, and I can see why she did so as the issue appeared to be 'fixed'. Due to her disabilities, Miss B was not able to inspect the work to confirm this was correct.

Miss B also reported the matter to police, and trading standards. Trading standards confirmed that the police had taken over the investigation, and that the builder was a known doorstep criminal. This Service has provided a copy of this call to Santander. It was also confirmed that what happened to Miss B has happened before to others.

I know that Santander are concerned that there doesn't appear to have been any further action from the police in relation to this matter – but as I have previously explained, it isn't always possible for the police to follow up on all matters, and Trading Standards has confirmed that the builder is a known scammer.

Further to this, Santander has also raised the issue that the bank that received Miss B's money doesn't appear to have any concerns about its customer and the account remains open. It has said that it is concerned that Trading Standards doesn't appear to have passed on its information to the receiving bank and has asked if this Service has done so.

I can't comment on what the receiving bank has decided to do with its own customers

account and if it is wrong not to close the account due to fraudulent activity – I am not looking at a complaint about it. It is possible that it didn't find anything on the account to be suspicious when Santander reached out to it. But this wouldn't mean that Miss B hadn't been scammed. This Service also cannot control what Trading Standards chooses to share with other businesses. And as this Service is not looking at a complaint about the receiving bank, this information has not been shared with it by us either.

So, taking everything into account, I am satisfied that on balance, Miss B has been the victim of a scam.

Under the CRM Code the starting principle is that a firm should reimburse a customer who is the victim of an APP scam, like Miss B. The circumstances where a firm may choose not to reimburse are limited and it is for the firm to establish those exceptions apply. R2(1) of the Code outlines those exceptions. I haven't outlined them here as they are not relevant in this particular case.

Vulnerability under the CRM Code

Section R2(3) of The Code also requires firms to assess whether a customer is vulnerable to the APP scam they fell victim to. It says:

'A Customer is vulnerable to APP scams if it would not be reasonable to expect that Customer to have protected themselves, at the time of becoming victim of an APP scam, against that particular APP scam, to the extent of the impact they suffered. This should be assessed on a case-by-case basis.'

The CRM Code also says that in these circumstances, the customer should be reimbursed notwithstanding the provisions in R2(1), and whether or not the firm had previously identified the customer as vulnerable. As this provision under the CRM Code might lead to a full refund, notwithstanding the provisions in R2(1), this is the starting point for my decision in this particular case.

Our Investigator has already set out Miss B's disabilities, and why they considered that this amounted to vulnerability under the CRM Code. I won't set them out again here as Santander is already aware of them. But I will confirm that I agree that Miss B was a vulnerable person – and as such was unable to protect herself from the scam. It follows that I think she should receive a full refund under the CRM Code.

Putting things right

Santander UK Plc should refund Miss B her losses. It should also pay Miss B 8% simple interest (less any lawfully deductible tax) from the date it declined Miss B's claim.

My final decision

I uphold this complaint. Santander UK Plc should put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 6 March 2026.

Claire Pugh
Ombudsman