

The complaint

Mr B complains that Santander UK Plc didn't do enough to protect him when he became the victim of fraud and then didn't agree to refund his losses. Mr B wants his losses refunded along with statutory interest.

Mr B is represented by a third party but for ease of reference I have referred to Mr B throughout this decision.

What happened

Mr B was contacted by an individual ('the scammer') through a messaging app. They moved their conversation to another messaging app and after around a month they began to discuss cryptocurrency trading. Mr B said he was introduced to a site and his investments appeared to be making a good return. The relationship between Mr B and the scammer developed and he made further investments until he had no funds left. The scammer persuaded Mr B to take out a loan, saying they would too. Mr B said he believed they were pooling their resources to make an investment in their future together.

Mr B said he then asked to withdraw his money and was told he couldn't make any withdrawals until the loan was paid off and that he couldn't use the money in his trade account to do this and that he had to use his cryptocurrency wallet. Mr B made further payments thinking he was paying off the loan and interest. Mr B has since realised that the site he was using was fake. Mr B raised a claim with Santander, and as this wasn't upheld he raised a complaint.

Santander issued a final response to Mr B's complaint dated 17 December 2024. It explained that Mr B's claim didn't meet the requirement of the Contingent Reimbursement Model (CRM) code because Mr B's payments were to accounts in his name. It recommended that Mr B contact the institutions to which the payments were sent to raise a claim.

Mr B referred his complaint to this service. He said the payment he made from his Santander account of £5,100 was out of character, and Santander should have intervened at this point. He said that had this happened in a robust enough way the scam would have been identified and any further financial loss prevented.

Our investigator noted the following transactions from Mr B's Santander account as being the subject of this complaint.

Payment	Date	Amount	Payee
1	19 June 2024	£250	Cryptocurrency exchange
2	24 June 2024	£550	Cryptocurrency exchange
4	13 July 2024	£5,100	Bank account

5	25 August 2024	£7,000	Bank account
6	15 September 2024	£6,000	Bank account
7	15 September 2024	£1,000	Bank account
8	18 September 2024	£3,000	Bank account

Our investigator didn't think payments one and two were a cause for concern as the amounts were not out of character for Mr B's usual account activity. She did think that Santander ought to have recognised that the £5,100 payment carried a heightened risk of financial harm from fraud as this was out of character for Mr B. She thought that human intervention at this time would have been appropriate.

Our investigator noted that Santander blocked Mr B's account on 12 July 2024 when he attempted a payment of £5,100 to his cryptocurrency account. A call then took place on which Mr B was given warnings about investment scams and characteristics of these. He was asked about the payments he was making, and he confirmed that he had control over his cryptocurrency account and that he had carried out tests and was comfortable with his investments. Based on this our investigator thought that Santander had carried out a reasonable intervention. Following this, there was an intervention by the bank that Mr B had transferred his funds to which Mr B didn't act on and our investigator also noted that throughout the period Mr B was in communication with the scammer and appeared to trust them. Therefore, our investigator didn't think that further interventions would have made a difference, and she didn't uphold this complaint.

Mr B didn't accept our investigator's view. He said that Santander's intervention wasn't sufficient. He said he had given details which should have raised concerns, and further questions should have been asked.

Our investigator responded to Mr B's comments. She said that Santander had provided Mr B with an appropriate level of warnings for the amounts and the risks the payments presented, based on his responses. She acknowledged that Santander could have done more to probe Mr B further, but said she was persuaded that even if it had, he wouldn't have engaged with it.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a 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.

I am sorry to hear of the experience Mr B has had, and I accept that he has been a victim of fraud and lost money through this. However, for me to uphold this complaint I would need to be satisfied that Santander should have done something differently when the payments were being made and that had this happened, Mr B would have stopped making further payments. When considering a complaint, I take all relevant rules, regulations and guidance into account, but my decision is based on what I consider fair and reasonable given the evidence I have seen, and the wider circumstances at the time.

Mr B authorised the payments from his Santander account. Under the Payment Service Regulations 2017, the starting point is that Mr B is liable for the payments he authorised. However, Santander should have systems in place to look out for out of character or unusual transactions, or other signs that might indicate that its customers are at risk of fraud.

Mr B's first two payments were for relatively small amounts. Mr B's account history showed that payments of these values weren't out of character. And so, while I note the payments were being made to a cryptocurrency exchange, given the size of the payments I accept they weren't flagged by Santander's fraud systems, and I do not think that Santander was required to undertake further intervention at this point.

Mr B attempted to make a third payment to the cryptocurrency exchange on 12 July 2024. This was for a much larger amount, £5,100 and I think it right that Santander blocked this payment. A call took place with Mr B on which he was given warnings about investment scams and provided with the characteristics of these, such as being contacted without instigation. Mr B confirmed that this hadn't happened and that he had previously invested in stocks and shares and was now trying cryptocurrency. He said he was given some guidance about cryptocurrency but that he set up his account and was in control of this. The Santander agent recommended that Mr B do more research before making any larger payments and queried the high returns Mr B said he had made.

Having listened to the call, I think that the Santander intervention at this point was reasonable. It gave clear warnings about the risk of fraud and cryptocurrency and asked for information about the payments Mr B was making. Given the answers Mr B provided I do not find that Santander was wrong to lift the block on Mr B's account.

Mr B made a transfer from his Santander account to another bank account in his name on 13 July 2024 for £5,100. Given the warnings he had received the previous day, I do not find that any further intervention was needed at this point, and even if it had happened, it would have been unlikely to have made a difference.

Mr B made further payments to the other bank account in his name. Given he was paying to another bank account (rather than a cryptocurrency exchange) I think these payments would have raised less concerns in regard to Mr B being at the risk of financial harm. However, I also think that had further questions been asked at the time they would have been unlikely to have change the outcome. I say this because having looked through the messages that were being exchanged between Mr B and the scammer during the period of the payments, it was clear that he trusted her. Mr B was in contact with the scammer several times a day and he felt he was working with her for joint goals. It wasn't until after payment eight was made that he started to mention his concerns about a scam. Therefore, on balance, I do not find in this case that further intervention would have prevented Mr B's loss.

Regarding the recovery of funds, as Mr B transferred money from his Santander account to accounts in his name, he would have been in control of this money until it had left his named account with the other institutions. I wouldn't expect Santander to attempt the recovery at this point.

So, while I am sorry to hear of the experience Mr B has had and I do not underestimate the financial and emotional strain caused by being a victim of a scam, for the reasons set out above, I do not find I can uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 17 October 2025.

Jane Archer
Ombudsman