

## **The complaint**

Mrs S has complained about Santander UK Plc holding her liable for a debt which was taken out as part of a scam.

## **What happened**

Both sides are most familiar with the case, so I'll summarise things more briefly.

In mid-2024, Mrs S fell victim to a cryptocurrency investment scam. The scammers pressured her into taking out loans to fund the fake investment, saying they'd guarantee she wouldn't end up liable for them.

One of these was a £10,000 loan from Santander. It was paid to Mrs S's bank account. She sent the funds on to another account, then ultimately on to the scammers. The scammers didn't keep their promises and Mrs S realised she'd been scammed. Mrs S reported the matter, and previously said she hadn't applied for this loan. She later admitted that she did.

I sent Mrs S and Santander a provisional decision on 15 May 2025, to explain why I thought it was fair for Santander to write off the loan's interest and fees, but not its principal. In summary, I said that while Mrs S had fallen victim to a cruel scam, she did take out this loan and did owe Santander the principal sum back.

I'll talk about the response below.

## **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.

Santander agreed with the provisional decision.

Mrs S asked for the loan's principal to be reduced, in view of her age, her severe health situation, her financial situation, the scam, and her home needing repairs.

I do understand Mrs S's position. I'm grateful to her for being open and candid with us about her situation, and I have taken it into account when deciding this case. I acknowledge that, given her circumstances, the loan may not be affordable for her.

I should explain that when a customer agrees to a loan, as Mrs S did here, then they are generally liable for the loan they agreed to. I cannot fairly tell Santander to write off some or all of this loan's principal here. Mrs S borrowed that principal willingly, Santander lent it to her in good faith, it was paid to her, and it was only lost due to the actions of the scammer in scamming Mrs S, and Mrs S in transferring it away. Santander weren't responsible for the scam itself. Nor can I fairly tell Santander to reduce the principal because Mrs S's home needs repairs – again, Mrs S did receive the principal, and it's not Santander's fault that the loan money was subsequently transferred away, nor that those repairs are needed. I'll send Mrs S the details of organisations she could talk to about her home.

Even when a loan is taken out as part of a scam, we won't necessarily ask the business to remove the interest and fees – normally, customers who agreed to loans are liable for the interest and fees too, in line with what they agreed to pay when they took it out. Here, I've taken account of Mrs S's particular individual circumstances, including her vulnerable situation. I should also explain that, when a loan was not lent affordably, we also normally only ask the business to waive the interest and fees – not the principal. So this is in line with our approach there. As such, I think it's fair for Santander to waive the interest and fees, but not the principal, as they've agreed to do.

Further, as I said in the provisional decision, Santander will need to deal positively and sympathetically with any financial difficulties Mrs S has. Mrs S may wish to get back in touch with Santander to see what options and assistance they can offer her in repaying the money she owes. Mrs S said such contact causes her anxiety, so she could appoint someone else to speak to the bank for her, such as an intermediary organisation or a trusted friend or family member. I'll also send her the details of debt advice charities.

So having reconsidered the case, I've come to the same conclusions as before.

### **Putting things right**

I direct Santander UK Plc to:

- Waive the loan's interest and fees, and only hold Mrs S liable for the principal of the loan; and-
- Remove the loan from Mrs S's credit file once she's repaid its principal in full.

### **My final decision**

I direct Santander UK Plc to do what I set out above. I do not make any further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 30 June 2025.

Adam Charles  
**Ombudsman**