

## The complaint

Mrs B complains that Santander UK Plc decided not to refund her the money she lost through a scam.

## What happened

Mrs B met someone on social media, and they began communicating through an online messaging service and email. Mrs B says they built up a relationship and she thought of this person, whom I'll refer to as D, as her partner.

Mrs B sent money to D in June and July 2024. He'd said he was having financial difficulties and needed money to pay for business-related expenses while abroad.

Mrs B made five payments from her Santander bank account to D, as set out in the table below. She sent a payment of £7,000 by transfer to an international bank account on 18 June, and paid the other four amounts to an international money transfer service using her account's debit card.

	Date made	Amount (including fees)
1	16/06/2024	£400
2	18/06/2024	£7,025
3	21/06/2024	£401.99
4	01/07/2024	£503.99
5	01/07/2024	£503.99

Mrs B became suspicious of D when he didn't return from his trip as promised, and realised she'd been the victim of a scam. Mrs B alerted Santander to this in August 2024.

In December 2024, Mrs B complained to Santander that it didn't do enough to prevent her from falling victim to the scam and that she wouldn't have lost her money, had it intervened.

Santander didn't uphold Mrs B's complaint. It said that the payments Mrs B made to the scammer weren't protected under the Lending Standards Board's Contingent Reimbursement Code and so it wasn't obliged to provide a refund.

Mrs B wasn't happy with this response and referred her complaint to this Service in February 2025. One of our investigators looked into it but didn't recommend that her complaint be upheld. They found that Santander had acted appropriately in the circumstances and that it wasn't responsible for Mrs B's loss.

Mrs B didn't accept this recommendation and asked for the complaint to come to an ombudsman 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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations; regulators' rules, guidance and standards; codes of practice and, where appropriate, what I consider to have been good industry practice at the time.

It's not in dispute that Mrs B fell victim to a scam, and I am sorry that she's found herself in this situation. The Lending Standards Board's Contingent Reimbursement Code, which offered scam protection and potential reimbursement to customers, was in place at the time. Unfortunately for Mrs B, the reimbursement code didn't cover payments made by card or international payments, and so doesn't apply to her case.

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 2017 and the terms and conditions of the customer's account.

However, this doesn't automatically mean that Santander cannot bear any responsibility for what happened to Mrs B. Banks have a regulatory responsibility to conduct their business with due skill, care and diligence, and to pay due regard to their customers' interests and treat them fairly. Banks also need to take steps to reduce the risk that their systems might be used to further financial crime. In practice, this means keeping customers' money safe and taking steps to prevent financial harm.

In this case, I need to decide whether Santander acted fairly and reasonably in its dealings with Mrs B when she authorised the above payments or whether it could, and should, have done more before processing them.

Should Santander have recognised that Mrs B was at risk of financial harm from fraud when she authorised Payment 1?

On 16 June 2024, Mrs B paid £400 to an international money transfer service using her bank account card. She told us that she had never used the money transfer service before and that £400 was a considerable amount of money for her.

I appreciate that, of itself, £400 might have been a considerable amount of money for Mrs B. However, this payment wasn't significantly different to previous payments from her account. Looking back through the transactions on Mrs B's account in the months before, I can see that she made several payments of between £100 and £500 on bills and transfers, and a few more of around £1,000. So, a payment of £400 wouldn't have stood out to Santander as being unusual for her account, and therefore potentially fraudulent.

I understand this was the first time Mrs B had made a payment to the money transfer service, but I don't think the identity of the receiving organisation alone should have raised concern about this particular payment, given the amount wasn't unusual for Mrs B's account and it was being paid to a legitimate well-known organisation.

There's a balance to be struck between identifying payments that could potentially be fraudulent – and then responding appropriately to any concerns – and ensuring minimal disruption to legitimate payments. Whilst banks have an obligation to act in their customers' best interests, they can't reasonably be involved in every transaction. To do so would involve significant disruption to legitimate payments.

Altogether, I don't think Santander got something wrong when it processed this payment.

Should Santander have recognised that Mrs B was at risk of financial harm from fraud when she authorised Payment 2?

A couple of days later, on 18 June 2024, Mrs B transferred £7,000 to an overseas bank account. This payment was flagged by Santander's systems as potentially fraudulent, and her account was blocked. I understand this was the first payment Mrs B had made to this payee. Given this, and that it was a relatively large payment from her account to an international payee, I think it was reasonable of Santander to have intervened.

Santander spoke with Mrs B that day, and asked her a series of questions about the payee account and the purpose of the transfer. Mrs B said she was sending money to her husband's brother-in-law to help pay the cost of their child's funeral. Santander asked further probing questions: whether the payment was a loan or a gift; when was the funeral due to take place, and why didn't Mrs B pay the money directly to her husband's sister, for example.

Santander also provided warnings to Mrs B on the call. For example, Santander said it was important that Mrs B was honest so it could protect her from scams, and explained that if Mrs B had been asked to lie or mislead the bank as to the reason for the payment then that would be a scam.

I think Santander's intervention here was reasonable and proportionate.

Mrs B said that D wanted the money for his nephew's funeral, and that he told her to say that the money was for her partner. She said that the conversation she had with the bank on 18 June was genuine because she thought of D as her partner. I've reviewed the chat transcript (from the online messaging service) between Mrs B and D, and can't see that he provided her with the cover story she used. The reason D gave for needing the money, as set out in the chat, was because of work-related expenses and there's no mention of a funeral.

It seems from the chat history that Mrs B and D also communicated by telephone, so I am mindful that I don't know everything that was discussed between them. I have seen enough to know that Mrs B and D were in frequent contact and that a trusting relationship had built up. I am also mindful that Mrs B is the victim in this matter, and I don't doubt that this whole experience has been very difficult for her.

That said, Mrs B didn't reveal to Santander that she had no family connection to the payee and she gave swift, plausible answers to its questions throughout. For these reasons, I can't find that Santander was at fault for not uncovering the scam on that call and proceeding to process the payment.

Mrs B said that if Santander genuinely believed there was fraud it should have reported it to the police. It seems to me that Santander investigated whether or not there was fraud occurring, as I think it should have, but its interaction with Mrs B reassured it that that was not the case.

Should Santander have recognised that Mrs B was at risk of financial harm from fraud when she authorised Payments 3, 4 and 5?

Mrs B made three more payments to the same money transfer service - £400 on the 21 June and two lots of £500 on 1 July. For the same reasons as before (with Payment 1) I don't think these payments ought to have raised concerns.

I did consider whether Santander ought to have intervened again on 1 July when Mrs B sent

a second lot of £500. This was sent shortly after the first amount, and it seems odd that Mrs B didn't transfer the full amount in one go, rather than two lots of £500.

However, there were several days between the first payment to the transfer service on 16 June and the second on the 21 June. Ten days passed before Mrs B made two more payments on 1 July. Given the time between payments and that there hadn't been a significant increase in the amounts, I don't think a suspicious pattern had emerged at that point that Santander ought to have picked up on. So I don't think Santander got anything wrong when it processed these payments.

### Could Santander have recovered Mrs B's money?

I have considered whether Santander could have recovered Mrs B's funds when it found out about the scam.

Santander requested a return of Payment 2 (£7,000) from the receiving bank in August 2024 and chased for a response a number of times but was unsuccessful. It isn't within the bank's powers, or those of this Service, to require the receiving international bank to respond or take any action. I haven't found that Santander got something wrong in this regard which meant the return request failed.

In response to our investigation, Santander said that it hadn't made a request for a refund of the money Mrs B paid by debit card (Payments 1, 3, 4 and 5). Card issuers, such as Santander, can request refunds from the card schemes (MasterCard or Visa for example) in specific circumstances. Unfortunately for Mrs B, the circumstances under which she lost her money are not provided for in the card scheme rules. So, it's not likely such a request would have succeeded, and I can't find that Santander was at fault for not pursuing this.

### In summary

Let me say again how sorry I am that Mrs B has lost her money in such circumstances, and that I can't provide the resolution she's hoping for. For the reasons I've explained, I can't fairly hold Santander responsible for her loss, and so I am not upholding her complaint.

### **My final decision**

I am not upholding Mrs B's complaint about Santander UK Plc and don't require it to take any action in this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 26 November 2025.

Michelle Boundy  
**Ombudsman**