

## **The complaint**

Ms R is a sole trader, trading as S. She is unhappy that Santander UK Plc ('Santander') won't reimburse her after she says she fell victim to a property purchase scam.

## **What happened**

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

In early 2020, Ms R was interested in purchasing a property in Dubai. Ms R was introduced to a property dealer in Dubai through a mutual family friend who had been trusted for nearly 10 years. Ms R agreed to purchase a property which was on offer at a significant discount.

On 22 May 2020, Ms R made a payment of £31,680.39 from her account with Santander. This amount was required to finalise the property purchase. The payment was made in branch. Prior to this payment, Ms R had already made a payment of £180,000 from an account held with Halifax.

A complaint was raised with Santander in May 2024 through Ms R's professional representative. Santander rejected the complaint advising her that claims of this nature are usually reviewed under the Contingent Reimbursement Model (CRM) Code. But because the payment was an international one, it wouldn't fall under the scope of the CRM Code.

After bringing her complaint to this service, our investigator also rejected Ms R's complaint. She wasn't satisfied that any questioning of Ms R in branch would have suggested she might be falling victim to a scam. She wasn't satisfied a scam would've been discovered. As an agreement couldn't be reached, the case has since been passed to me 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 this decision I've focussed on what I think is the heart of the matter here. As a consequence, if there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is a fair and reasonable outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case.

What I would firstly like to point out is that the testimony that's been provided to both Santander and this service at times have been inconsistent. As such, it is difficult to place much weight on Ms R's testimony. For example, when Ms R reported her complaint to

Santander through her professional representatives, it was explained that the properties she was offered were two property developments for sale and whilst they were not built yet it would be an investment. But when questioned about the significant discount that was on offer by our investigator, it was later explained by Ms R that the discount was due to the property dealer specialising in 'distressed' properties.

We've also seen no evidence from Ms R about the company the individual purported to represent in relation to this property purchase nor any evidence of interactions with her ex-husband who was also seemingly involved. Ms R has provided what appears to be an identity document for the individual which appears to name the company they work for. But I'm not satisfied that's sufficient proof that evidence's this individual informed Ms R that's whom they were acting on behalf of in relation to this property purchase. In fact, the available evidence is quite limited. Ms R also says she reported a claim with Santander in both 2020 and 2021, but there's no supporting evidence of this either. Yet we have Santander's system records covering the entire period from when the payment was made through to when Ms R's complaint was raised with Santander in early 2024. And these records do not reflect any such contact.

In addition to the above, what we do have from Ms R, is a signed copy of a special power of attorney, copies of several emails with the property dealer, evidence she says was provided by the property dealer of a property they owned in Dubai, as well as some messages exchanged with them in late 2023. There is also a copy of an email sent to the police in Dubai.

We also have confirmation from Ms R's son who spoke to Halifax on her behalf in relation to her claim with them confirming there was a period (several years later in 2023 – based on the supporting evidence provided) where attempts were made to negotiate a settlement with the property dealer and that both ActionFraud and the police in Dubai considered the circumstances to be a civil matter.

Our investigator has considered that Ms R has likely fallen victim to a scam. From the limited evidence available to me, I think its arguable. It's also entirely plausible just as ActionFraud and the police in Dubai have explained that the circumstances here could also be a civil matter. But even if I were satisfied Ms R had fallen victim to a scam, I've ultimately reached the same conclusions as our investigator and I'll explain further below.

For clarity, I can confirm that in the circumstances of Ms R's case, the CRM Code doesn't apply to this disputed transaction. And that's because international payments are not covered by the Code.

It isn't in dispute that Ms R authorised the transaction in question. She is therefore presumed liable for the loss in the first instance. However, Santander is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

In this case, the payment was processed in branch. As such there was a natural opportunity for Santander staff to ask Ms R about the payment and I'd expect it to intervene in a manner proportionate to the risk identified. What I have to consider when making my decision here is to what extent should Santander have intervened in connection with the payment being made by Ms R and if it had done so, whether it would have prevented the loss she went on to suffer.

Santander has explained that when the payment was made, Ms R would have been asked to present her identification as well as presenting her debit card in order for the payment to

be made. It has also shared its system records showing that Ms R explained she was paying an invoice for goods. And that Ms R would have been provided with the following scam warning:

- *Have you checked they're legitimate by calling an independent number, not the one contained in any emails received?*
- *If you've received an invoice, bank account or payment details by email, this could be a scam.*
- *Criminals can hack email accounts, or spoof email addresses to redirect funds to fraudulent accounts for large purchases such as this.*
- *We suggest you always check the payment details by phone or in person before making the transfer.*
- *Are you comfortable to transfer £x to a third party at X bank?*

It's evident this warning would have been as a direct result of the payment purpose provided by Ms R. Indeed, the evidence presented by Ms R does also confirm this further payment was to cover the *'furniture and new fittings'*.

Ms R has not explained her recollection of events in branch, but she did confirm she attended the branch with her partner. Though she says he was not fully aware of her large transaction. Though I'm not satisfied the limited available evidence and Ms R's other testimony provided supports this.

In the circumstances, and considering that this payment of £31,680.39 was made over a week after Ms R had already made a payment of £180,000 from an account with Halifax, I'm in agreement with our investigator. Ms R has not provided any details of any emails showing she was provided with account details. Ms R had interactions with the property dealer by telephone and at the time of making the payment had physical documentation in the form of a power of attorney document. As such I'm not persuaded Santander ought to have been concerned she might be falling victim to a scam. It's evident that Ms R's family were aware of this transaction, from her children to her ex-husband. So she wasn't entering into this alleged purchase without anyone's knowledge. And I'm not persuaded that any further questioning of Ms R would have resulted in her not proceeding with the payment.

Ms R's representative's suggest that Santander ought to have identified she would have needed assistance due to English being her second language. It said she struggles with complex communications and required support in understanding the bank's warnings and advice. But I'm satisfied she did understand, that's because Santander's records show the payment purpose she provided at the time was reflective of what she thought the payment was being made for – furniture and new fittings. Furthermore, Mrs R has provided evidence of various interactions showing her ability to communicate and understand English. So I can't agree that Santander ought to have engaged differently with Ms R.

I also cannot ignore that Ms R appears to have closer connections to this property dealer based on interactions she had with them in late 2023 and the comments she made directly to them. This was several years after the disputed transaction took place.

I must keep in mind that firms need to strike a balance between disrupting the payment process to protect customers from fraud and allowing legitimate payments to be made. And in this case I'm satisfied Santander's actions were proportionate to the risk identified, but even if I did consider it could have done more, I'm not persuaded that the available evidence shows that any shortcomings on its part were the cause of Ms R's loss.

I've considered whether there are any ways Santander could have recovered Ms R's money,

but I don't consider it could have. The first reporting of the events didn't take place until 2024 and recovery would have been on a best endeavours basis in light of the payment being made internationally. Santander did write to Ms R in May 2024 confirming that as of the date of the letter, they haven't been able to recover any funds from the beneficiary bank. But they would continue trying to do so, and would inform her if they managed to do so.

### **My final decision**

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 16 October 2025.

Mark O'Connor  
**Ombudsman**