

The complaint

Mrs K complains that Santander UK Plc will not reimburse the funds she lost to a scam.

What happened

Mrs K said the following debit card payments were made as a result of a scam.

Payment	Date	Payee	Value
1	30 January 2025	Money remittance service	£449
2	30 January 2025	Money remittance service	£448
3	30 January 2025	Money remittance service	£444
4	30 January 2025	Money remittance service	£442

On 30 January 2025 Mrs K received a telephone call from what she thought was the security team for an online marketplace that I'll refer to as A. The scammers claimed that someone was attempting to use Mrs K's debit card to purchase three iPhones. Mrs K was directed to download an application for a money remittance service. She said she had followed the scammer's instructions and was not aware that funds were being debited from her bank account. When Mrs K realised it had been a scam, she reported the matter to Santander but it did not reimburse the funds she lost and it did not uphold the subsequent complaint.

Our Investigator thought the complaint should be upheld. She thought Santander ought to have found the payment of £444 suspicious and intervened. However our Investigator didn't think Mrs K had acted reasonably and concluded she ought to bear equal liability for the losses incurred.

Santander didn't accept the Investigator's opinion and asked for an Ombudsman to decide. As such the matter has been passed to me to make 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.

I'm satisfied the evidence shows Mrs K authorised the payments, although she did so under the guidance of the scammers. And in accordance with the Payment Services Regulations (2017) and the terms and conditions of the account, she is responsible for the loss. However, taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Santander should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

I think it is important to explain that there are many payments made by customer's each day and it is unreasonable to expect the bank to stop and check them all in an attempt to prevent fraud or financial harm. Santander must strike a balance between the extent to which it intervenes in payment instructions to protect its customers and avoiding causing unnecessary disruptions to legitimate payment instructions.

Santander declined the initial payment instructions Mrs K for £449. It has shown that Mrs K responded to its text message confirming that the payment was genuine. I find this intervention appropriate to the scam risk Santander identified at the time and I think Mrs K's response to the text message eased the concerns it had.

Mrs K then made four payments to the remittance service. I do not find the first two payments were sufficiently unusual or out of character to have warranted further intervention by Santander. I say this because, I identified larger payments of £600 or more in the 12 months prior to the scam, therefore I do not find the value of the individual transactions out of character. Mrs K also had a history of making multiple payments to the same beneficiary on the same day and in relatively quick succession.

However by the time Mrs K made the third payment for £444 I think it ought to have been concerned that she might have been at increased risk of harm from fraud and intervened. I say this because I find there was evidence her account was being drained of funds. Mrs K was making use of her overdraft facility to make the payments which I find out of character when considering her historic account activity. The payments were all of similar value and were to a new payee, which is indicative of a safe account scam. And by the time of the third payment Mrs K had sent over £1,300 which was significantly greater than she typically spent in a day. Therefore I find Santander ought reasonably to have identified that the pattern of activity bore the hallmarks of a scam such as this and enquired about the circumstances surrounding the payment.

I have thought about whether Santander would have been able to prevent the loss had it intervened as I think it should, and I'm persuaded it would. There is no evidence that Mrs K was asked to conceal the purpose of the payments or received any significant coaching from the scammer. Therefore with appropriate questioning I think its likely Santander would have uncovered that Mrs K had received an unexpected telephone call, she had been told her debit card had been compromised and asked to set up an account with a money remittance service which is a highly suspicious set of circumstances. Santander would then have been able to inform Mrs K that it was most likely a scam and provided her with a tailored warning. I have not seen any evidence that Mrs K was taken in by the scam to such an extent that such a warning would not have resonated with her. Rather, on balance I think it is more likely than not, such intervention would have broken the spell and caused Mrs K to cease communication with the scammer.

Although the funds were ultimately lost to the scammer, the payments were made to a legitimate merchant that provided a service, as such I am not persuaded there were any prospects of recovering Mrs K's funds through a chargeback claim. However, for the reasons I have set out above, I find Santander can fairly and reasonably be held responsible for the losses Mrs K incurred from Payments 3 and 4.

I have also considered whether Mrs K acted negligently and bears some responsibility for the losses incurred. Mrs K said she had received similar telephone calls in the past but disregarded them as she did not have an account with A and did not shop online. Therefore I think she ought to have been equally suspicious when she received the phone call on 30 January 2025. I think Mrs K ought to have questioned why she was required to download a money transfer application to her phone. Mrs K said she was not aware payments were being made from her bank account, so I think she ought to have been concerned on receipt

of the text message from Santander querying the initial payment. I recognise Mrs K has been the victim of a cruel scam, however I am not persuaded she acted reasonably, as such I find Mrs K ought fairly and reasonably to bear equal responsibility for the loss she incurred.

Considering this, I find Santander should reimburse Payment 3 and Payment 4, it should deduct 50% for contributory negligence and reimburse what remains. Along with any overdraft fees it may have charged as a result of these two payments. It should also pay Mrs K 8% simple interest per annum on the refunded amount from the date of each payment to the date of settlement for the loss of use of the money during this period.

My final decision

My final decision is that I uphold the complaint and require Santander UK Plc to:

- Reimburse 50% of the loss from Payment 3 and Payment 4, that is £443.
- Reimburse any fees it charged on these payments.
- Pay 8% simple interest per annum on the reimbursement, from the date of each payment to the date of settlement.

If Santander considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs K how much it's taken off. It should also give Mrs K a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 4 February 2026.

Oluwatobi Balogun
Ombudsman