DRN-5796912

The complaint

Mrs S complains Santander UK Plc won't refund money she lost when she fell victim to an advanced fee job scam.

What happened

The background to this complaint is familiar to both parties, so I'll only refer to some key events here.

In December 2022 Mrs S was the victim of an advanced fee job scam having been contacted on a messaging app by someone she believed worked for a legitimate recruitment firm offering remote work. Mrs S had previously applied for many roles online and so was not surprised to be contacted with an offer of work. Mrs S was told she could earn commission by completing tasks on behalf of a well-known online company operating within the travel industry.

As part of the scam, Mrs S was required to purchase and send crypto to the scam platform – which was used to generate the tasks for her to complete. Between 30 December 2022 and 3 January 2023, Mrs S made eight debit card payments to a legitimate crypto exchange (which I'll refer to a 'B') – totalling just under £6,000 - before transferring the crypto to wallet addresses provided by the scammer, which she understood would load it on to the scam platform. Mrs S says she realised she'd been scammed when she was told she needed to pay fees before she could withdraw her profits.

Mrs S raised a scam claim with Santander with the help of a professional representative, which I'll refer to as 'C'. It refused to reimburse her loss. It said her debit card payments were not covered by the Contingent Reimbursement Model Code, and Mrs S had authorised Santander to credit funds to an account held with B - so it had just followed her instructions.

Mrs S referred her complaint to the Financial Ombudsman, again with the help of C. Our Investigator upheld the complaint in part. He considered that Santander ought to have recognised that Mrs S' seventh payment to the crypto exchange presented a risk of financial harm from fraud. He thought Santander should have spoken to Mrs S before processing her payment, and if it had the scam would have been uncovered and Mrs S' loss from that point would have been prevented. But he also considered that Mrs S should be held jointly responsible for her loss, as she didn't take reasonable care to protect herself despite red flags that ought to have given her cause for concern.

Mrs S accepted our Investigator's view. Santander disagreed. It did not agree it could be held responsible for Mrs S' losses. In short, it said:

- It can't be expected to identify and prevent every payment that carries some risk of being associated with a scam, and it must strike a balance between meeting its obligations to follow a customer's authorised instruction without delay, against reasonable measures to detect and prevent fraud.

- It would not have been reasonable for it to intervene in Mrs S' card payments, which were properly instructed, made to a trusted beneficiary (B) and for which Mrs S had sufficient funds available.

- It was not unusual for Mrs S to make several large card payments, including to the same merchant, on the same day.

- Mrs S' loss did not occur from her Santander account, but rather the funds went to an account in her name and control before it was lost to the scam.

The complaint was then passed to me to decide. I issued a provisional decision on 21 August 2025, setting out why I was not persuaded proportionate intervention from Santander would most likely have prevented Mrs S' loss. For completeness, I repeat my provisional decision below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I want to make it clear from the outset that there is no doubt that Mrs S has been victim of a sophisticated scam. I do not underestimate the impact this has had on her. While there are certain obligations on banks to protect consumers and prevent losses to scams in certain circumstances, these are not absolute. And so, there are unfortunately occasions where a consumer will lose out but have no recourse to a refund from their bank.

So, while I accept Mrs S has lost a significant amount of money due to the deception of scammers, I must consider whether Santander is responsible for the loss she's suffered.

I know this won't be the outcome Mrs S is hoping for - and will likely be all the more disappointing as I'm reaching a different view to our Investigator - but for the reasons I'll go on to explain I don't think they are. So, I don't think Santander has acted unfairly by not refunding the payments. I'll explain why.

Should Santander have recognised Mrs S was at risk of financial harm from fraud?

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Service Regulations (in this case the 2017 regulations) (PSRs) and the terms and conditions of the customer's account. But taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for a bank to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

I agree with our Investigator that Santander ought to have recognised that Mrs S was at a heightened risk of financial harm from fraud when she instructed her seventh payment to B, on 3 January 2023. This was her fourth payment to a crypto exchange that day; the payments were increasing exponentially in value; and by January 2023 Santander was aware of the prevalence of crypto scams in operation at the time and should have recognised that high value crypto payments like the one Mrs S had instructed carried a significantly elevated risk of fraud.

But while I agree that Santander ought to have intervened, I must also consider what proportionate intervention would have looked like and whether it's more likely than not that it would have prevented Mrs S' subsequent loss. For the reasons I'll go on to explain, I don't think proportionate intervention would have prevented Mrs S' loss in these circumstances. I'll *explain why.*

Given what Santander knew about Mrs S' payment at the time, and considering the need to avoid imposing unnecessary friction relative to the level of risk identified, I believe a proportionate response would have been to present her with a written warning. I recognise that it would be difficult for such a warning to cover off every permutation and variation of crypto scams, without significantly losing impact. As such, I think the warning should have highlighted the key risks associated with the most common type of crypto scam at that time — namely, crypto investment scams, which were particularly prevalent in January 2023.

To be clear, I do not think the level of risk posed by the payment on 3 January 2023 was sufficient that I could reasonably have expected Santander to have spoken to Mrs S before processing the payment. As such, unlike our Investigator, I do not think Santander ought to have questioned Mrs S about the payment purpose, and so it would not have reasonably discovered her intended payment related to a job. It would only have been aware that she intended to make a payment to a crypto exchange.

Instead, I would have expected Santander to highlight the most common aspects of crypto investment scams at the time and given Mrs S an opportunity to cancel her payment if she considered that scam risk applied to her payment. For example, I would have expected it to warn against investment opportunities that were promoted on social media, or which appeared to be endorsed by celebrities; to be aware of third-party brokers or traders offering to invest on her behalf; and that the promise of unrealistic returns with little to no risk were likely a scam.

Given the nature of the scam Mrs S had fallen victim to, I'm not persuaded that a written warning of the type I have described would have resonated with her sufficiently that she would have decided not to go ahead with the payments. This is because the red flags Santander ought to have highlighted were not present in her situation. Indeed, there were some notable differences in the way this scam operated. For example, Mrs S was contacted about an offer of employment, which was not unexpected given her previous applications. She was advised that she was completing tasks which generated a commission. And while bonuses and commissions could be earned, these did not appear excessively high (5-10%).

Mrs S has also described other factors that persuaded her the opportunity was legitimate. The scammers had cloned a real company and used its branding on the fake job platform. There were multiple individuals involved in the scam as she was in contact with an account agent and a customer service agent. She was also invited into a large group chat where she could see many people discussing the job and the profits they were making. She was also given access to a convincing looking platform where she was able to complete her tasks, see her deposits and her earned commission instantly. All of these factors reassured her that the opportunity was legitimate.

Having carefully considered the record of the conversations Mrs S was having with the scammers around the relevant time, it's evident that Mrs S was concerned about the requests for payments to top up her account - these were unexpected and more than she could afford. But while I can see Mrs S was worried, I have seen nothing to suggest she was beginning to doubt that the job was legitimate.

I'm also mindful that Mrs S had been manipulated into believing that making the payments as instructed would unlock the profits she had already made. Mrs S was under significant pressure to make the payments as directed, due to the fear of losing the money she'd already spent. Unfortunately, in the absence of a clear and impactful warning that specifically related to Mrs S' circumstances, I think the pressure of what was going on would have made *it more likely, rather than less likely, that Mrs S would have proceeded with the payment in spite of a warning – of the type I've described - presented by Santander.*

In the circumstances, I'm not persuaded that a proportionate intervention from Santander, setting out the key hallmarks of a crypto investment scam, would most likely have resonated with Mrs S sufficiently that she would have decided to cancel the payment(s). As such, I'm unable to fairly conclude that Santander could have prevented Mrs S' loss to this scam. There is therefore no basis on which I could require it to refund the funds she lost.

Could Santander have done more to recover Mrs S' losses?

As Mrs S' losses originated from debit card payments, the only potential route to recovering the money she lost was via a chargeback. However, Mrs S paid a legitimate crypto exchange and it isn't in dispute here that the services were provided, just that the crypto was later lost to the scammer. Due to this I don't consider a chargeback claim would've succeeded, and so I don't think there was any way to recover Mrs S' lost funds.

In conclusion, I have a great deal of sympathy with Mrs S being the victim of what was clearly a cruel scam. But it would only be fair for me to direct Santander to refund her losses if I thought it was responsible for them – and I'm not persuaded that this was the case. Everything considered, I cannot fairly and reasonably hold Santander liable in these circumstances. It follows that I will not be asking it to take any further action."

C disagreed with my provisional decision and asked that I reconsider the outcome. It argued that I failed to adequately address Santander's responsibilities regarding the unusual transaction pattern on 3 January 2023. C felt a written warning was insufficient, noting the sharp increase in Mrs S's payments throughout the day as atypical behaviour. It said the escalation in frequency and value - particularly the seventh payment (£2,000) - should have prompted Santander to speak with Mrs S. C also highlighted that Santander initially declined this payment but later processed another attempt without enquiry, missing a chance to investigate. Overall, it believed Santander should have contacted Mrs S directly, which could have helped uncover the scam and prevent further loss.

Santander has not responded to my provisional decision. But as the deadline for responses has passed, and mindful that I have not upheld the complaint, I think it is fair that I now move forward to issue 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.

Having carefully considered C's objections, I'm not upholding this complaint for the same reasons set out in my provisional decision. I appreciate this will be disappointing for Mrs S, and I'm sorry for that. But for the reasons I'll explain, I don't think Santander could reasonably have prevented her loss.

C's main objection focused on what proportionate intervention from Santander should have involved. So, this decision will focus on that issue. For completeness, I remain of the view that Mrs S is liable for her authorised payments, and the loss that flowed from them, unless Santander ought reasonably to have prevented her loss. I also maintain that Santander should have intervened on Mrs S' seventh payment - £2,000 to B on 3 January 2023.

I agree with C that this payment should have stood out. While multiple payment on one day weren't entirely unusual for Mrs S, the increasing value and the fact they were going to a crypto exchange should have signalled a heightened risk of a crypto scam.

Santander appears to have recognised this risk, initially blocking the payment. However, it later allowed Mrs S to remake it without further intervention. I agree this response fell short - Santander didn't explain why the payment was risky or how Mrs S could protect herself.

Still, a failure to provide an adequate warning doesn't automatically mean Santander is liable for Mrs S' loss. I must also consider what a proportionate response to the identified risk should have been; and whether such a response would likely have prevented the loss.

I understand C believes Santander should have gone further and spoken to Mrs S directly given the activity on 3 January 2023. But I disagree. There's a balance between identifying potentially fraudulent payments and avoiding undue disruption to legitimate ones. In this case, taking into account the individual values of the payments; the total spending involved; the increasing values; and the timing of the payments, I still think a written warning would have been a proportionate response to the identified risk.

As explained in my provisional decision, I'd have expected such a warning to have covered off some of the key aspects relating to the more common crypto investment scams at the time – that is a warning about crypto investment scams. I've explained why I don't think such a warning would have been enough to have resonated with Mrs S and why she would likely have gone ahead with the payments even if a warning had been presented. C hasn't challenged this point, so I won't expand further — my earlier conclusions still stand. Similarly, I have no reason to depart from my conclusions on why Mrs S' payments could not be recovered

In summary, I have considerable sympathy for Mrs S, who was the victim of a cruel scam. However, I can only fairly direct Santander to refund her losses if I believe it was responsible - and I'm not persuaded that it was. On balance, I don't think Santander is liable in these circumstances, so I won't be asking it to take further action.

My final decision

For the reasons give above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 2 October 2025.

Lisa De Noronha
Ombudsman