

The complaint

Mrs R is unhappy that Santander UK Plc won't reimburse money she lost to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mrs R fell victim to a task-based job scam in which she was required to rate products in exchange for commission. I'll refer to the company Mrs R believed she was working for as "W".

Mrs R was given access to an account with W on its platform and was added to a group chat with other "employees". She was also required to open an account with a genuine cryptocurrency provider, who I will refer to as B.

Mrs R has said after completing some tasks she was sent a credit of £135 from the profits she had made. She has said that she needed to fund her account with W in order to complete tasks and that she would receive commission for doing so. W asked her to transfer cryptocurrency from her account at B and then send these funds on to them. She used her Santander account to do this. Mrs R made the following payments as part of the scam:

Payment number	Date	Amount
1	9 April 2024	£500
2	9 April 2024	£810
3	9 April 2024	£2,300
4	9 April 2024	£4,350 (declined)

When Mrs R realised she had been scammed she contacted Santander to try and stop Payment 3 from being sent. She later realised this payment had been made so she raised a complaint with Santander.

Santander didn't think it had done anything wrong by allowing the payments to go through, but it offered £50 compensation for providing incorrect information about Payment 3. Mrs R brought her complaint to our service.

One of our Investigators looked into the complaint but didn't uphold it. She listened to the calls made by Santander at the time and thought the actions it took were proportionate to the risks associated with the payments. Mrs R remained unhappy, so the complaint was passed to me for a review and final decision.

I contacted Santander to resolve the complaint without the need for a decision. I explained that I was minded to uphold the complaint in part for Payment 3, but I thought that Mrs R ought to take some responsibility for her loss too. I thought a fair deduction to the amount reimbursed would be 50%. Mrs R agreed to this, but Santander didn't. In summary, it said that it had probed Mrs R in the call it had about the payment and that it had no reason to think she wasn't telling it the truth. It also said that Mrs R had provided false information when it spoke about Payment 4, so it didn't think she had any intention of providing the true

reason for the payments. It confirmed it was still happy to pay Mrs R the £50 compensation it had already offered.

As Santander didn't agree to settle the complaint, I am now proceeding to issue my 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.

The Lending Standards Board Contingent Reimbursement Model Code (CRM Code) provides refunds in certain circumstances when a scam takes place. But as Santander has pointed out, these payments aren't covered by the CRM code. That is because it doesn't cover card payments. I've therefore considered whether Santander should reimburse Mrs R under any of its other obligations.

In broad terms, the starting position in law is that a bank is expected to process payments and withdrawals that a customer authorises it to make. It isn't disputed that Mrs R authorised the payments from her Santander account. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Santander is expected to process Mrs R's payments and she is presumed liable for the loss in the first instance.

But in some circumstances, it might be appropriate for Santander to take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transactions were unusual, or looked out of character or suspicious. And if so, it should have intervened, for example, by contacting the customer directly, before releasing the payments. This is to help protect customers from the possibility of financial harm from fraud. But I'd expect any intervention to be proportionate to the circumstances of the payment.

I'm conscious that Payments 1 and 2 out the account were relatively modest so I can't see any reason for Santander to have been particularly concerned about them. Payments of this size are unlikely to have appeared unusual to Santander.

Santander intervened on Payments 3 and 4 and asked questions to work out if Mrs R was falling victim to a scam. I have listened to both calls that took place.

I don't think the call Santander had on Payment 3 was sufficient to understand exactly why Mrs R was making the payment to B. The call didn't last very long. It also didn't go into sufficient detail and in the circumstances, I think better questioning could have helped reveal the scam she was falling victim to and prevented her losses on this payment.

Mrs R provided some confusing information about the payment to start with. She explains in the call that the payment was for an investment but said it was not for Bitcoin. She then said it was for an investment when asked if it was cryptocurrency related. However, she also explained it was not cryptocurrency related. The information provided was conflicting, so I think Santander should have probed further to help understand why the payment was being made.

Santander highlighted in the call that it wanted to ensure she wasn't being scammed and that it needed to do some security checks. Mrs R is then asked a number of questions all at once: Is it a secure investment? Have you done it (invested) previously with them? Have you reviewed it to make sure you are not being scammed in any way? She replies to say yes, she has. Santander then ask if she is 100% satisfied? And she replies she is. I agree with Santander that it did ask some questions, however from the reply provided it was not clear when she had invested with W, what checks she had done to ensure she wasn't being

scammed or why she was 100% satisfied. It is not enough for a firm to simply ask probing questions; it should also seek adequate responses before moving on, which I don't think Santander did in the circumstances.

Mrs R seemed confused about the investment, and I can't say that Santander asked sufficient questions during this call to satisfy itself that she wasn't falling victim to a scam. It didn't ask any questions such as, how she found out about the investment? Who was she investing with? What the rate of return was or whether she had been able to make any withdrawals? It didn't ask anything about any documentation she had seen or why she was using B to make the payments? In light of Santander's knowledge of scams of this kind, and how common it is for customers to be instructed to transfer funds into an account in their names before passing them on to a fraudster, I would have expected it to have probed further in the circumstances.

Santander have advised that Mrs R provided false information when it discussed Payment 4, so it didn't think she would have been truthful if probed further. However, she hadn't said Payment 4 was for investment purposes so the questions I would expect it to ask were different. Santander also probed sufficiently in this call and the answers highlighted that Mrs R wasn't able to provide a good cover story on the reasons for the payment. So, on balance, a better intervention, as the one that took place on Payment 4, would have made a difference.

So, in those circumstances I am satisfied it is fair to hold Santander responsible for some of Mrs R's loss.

Should Mrs R bear any responsibility for her loss?

In considering this point, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint.

I recognise that, as a layperson, there were aspects to the scam that would have appeared convincing. I have taken into account the provision of the trading platform (which, I understand, would have used genuine, albeit manipulated, software to demonstrate the apparent success of trades). Mrs R was also able to take out a small withdrawal of the commission she had made. So, I've taken all of that into account when deciding whether it would be fair for the reimbursement due to Mrs R to be reduced. I think it should be.

- Having looked through the messages with the scammer, the job was offered without any formal hiring process. This lack of formality should have made Mrs R more cautious.
- The expected return was too good to be true when compared to the level of skill the work required, and I think it would have raised suspicions in any reasonable person about whether this job was all that it seemed to be.
- The expectation that Mrs R needed to make payments in order to work should also have raised further concerns. In a legitimate employment scenario, the employer pays the employee for their services.

Taking all of the above into account I think that Santander can fairly reduce the amount it pays to Mrs R because of her role in what happened. Weighing the fault that I've found on both sides, I think a fair deduction is 50%.

I understand that Mrs R was experiencing some difficult circumstances at the time she fell victim to the scam. I'm sorry to learn about this, but I can't say that Santander was or should have been aware that she was vulnerable or made any special adjustments for her at the time the transactions were made.

Mrs R has said Santander told her Payment 3 would be stopped when she reported the scam. Santander advised it provided incorrect information on this point and offered £50 compensation. The transfer was being made to an account in Mrs R's name so she would have had control to stop it at her end. However, it's likely that she had already sent it to the scammers at this point so Santander wouldn't have been able to do anything further. So, I think the offer made is fair in the circumstances.

Could Santander have done anything to recover Mrs R's money?

I've considered whether Santander could have done anything to recover Mrs R's payments once the scam was uncovered, but because the payments were sent to another account in Mrs R's name, and then on to the scam, it wouldn't have been possible for Santander to recover them

Interest

Mrs R has been deprived of the use of her funds on Payment 3. So, Santander should pay 8% simple interest yearly to the 50% refund on the transaction (calculated from the date of the transaction until the date of settlement). She may have used these funds in a variety of different ways if they had remained available to her. I think 8% simple is a fair interest rate in these circumstances.

My final decision

For the reasons given above, I uphold this complaint in part and require Santander UK Plc to pay Mrs R:

- 50% of Payment 3 – a total of £1,150
- 8% simple interest per year on that amount from the date of each payment to the date of settlement (less any tax lawfully deductible).
- £50 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 22 October 2025.

Aleya Khanom
Ombudsman