

The complaint

Mrs G complains about the actions of Santander Uk Plc when she lost money to a scam.

Mrs G is being represented by a legal representative but for ease I'll only refer to Mrs G.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Around early May 2023 Mrs G was contacted on her phone by a merchant (scammer) claiming to be in possession of \$50,000 from an investment she made in crypto a few years before. Mrs G believed the scammer was trying to help her retrieve this money. She received a link to a genuine crypto exchange where she was told to send money to by the scammer.

Mrs G then made four payments to the crypto exchange (totalling £11,000) for insurance and tax to retrieve her \$50,000 and two payments (totalling £10,000) to a joint account she held with another bank – I'll refer to here as H. When Mrs G attempted a fifth payment to the crypto exchange Santander stopped the payment and advised her it was likely a scam. Mrs G then continued to make payments to the scammers from H and an account she held at an Electronic Money Institute – I'll refer to here as W.

Mrs G realised she had been scammed when she had no further funds to provide and lost contact with the scammers. So, she raised a claim with Santander who said it wouldn't be offering her a refund. Unhappy with that response, Mrs G brought her complaint to the Financial Ombudsman Service.

Our Investigator didn't think the complaint should be upheld. Although, she said Santander should've intervened earlier with fraud and scam warnings she didn't think this would've made a difference here because after Santander did decline a payment Mrs G went back to the scammer and followed their instructions on how to continue paying money towards the scam.

Mrs G disagreed and asked for an Ombudsman's review. She said that Santander should've done more to stop this scam.

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 done so, I'm not going to uphold the complaint. I'm sorry to hear that Mrs G has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

It is common ground that Mrs G authorised the scam payments of around £21,000. I accept that these were authorised exchanges of her money into crypto even though Mrs G was the victim of a scam. So, although it wasn't her intention to send her crypto to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of her account, Mrs G is presumed liable for the loss of her money when she exchanged it into crypto in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Santander to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Santander's first obligation is to follow the instructions that Mrs G provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Santander to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Santander to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Santander to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

I've listened to the call Santander had with Mrs G on 24 May 2023. Mrs G was honest about why she was making the payment (to pay tax to receive some BTC). Santander immediately told her that it was likely a scam and that she wouldn't be getting her \$50,000 and that she had likely lost the money she had already sent.

Unfortunately, despite receiving a clear warning from Santander that she was being scammed, Mrs G continued to send money to her account with H and from there she would make even more payments from H to W and crypto exchanges (which H blocked). I note from the scam chats that when Santander stopped one of her payments she went back to the scammers and told them what had happened. Mrs G also admits a few days later in the scam (27 May 2023) that H also told her that it was a scam. Despite receiving warnings from Santander and H, Mrs G carried on making payments from H to W and then from W to the scam.

So, even if Santander had intervened earlier, I'm satisfied that Mrs G would've found another way (at the scammers instructions) to make the payments. She had received clear warnings from two banks within a short space of time. But this didn't stop her from sending money to the scammers. So, I'm persuaded that Mrs G had reached a point where she was more likely than not going to continue following the scammers instructions (with her later opening another bank account with another bank) so that she could send money to recover what she thought was her \$50,000.

Recovery

Santander wouldn't have been able to recover the money Mrs G sent to the crypto exchange as she has confirmed this was sent to the scammers. As was the money that was sent to H.

I've considered the points Mrs G has made about her vulnerabilities and personal circumstances around the time she was scammed. But, although Mrs G does have my sympathies for what she was going through at the time, Santander wasn't reasonably aware of these issues. So, I can't now ask it to reconsider the payments based upon information it wasn't aware of at the time.

I appreciate this will come as a disappointment to Mrs G, and I'm sorry to hear that she has been the victim of a cruel scam. As a result, I'm not persuaded that Santander can fairly or reasonably be held liable for her loss in these circumstances.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 19 January 2026.

Mark Dobson
Ombudsman