

The complaint

Mr A complains that Santander UK Plc hasn't reimbursed money he lost to a scam.

What happened

The background to this complaint is well-known to all parties, and the facts about what happened aren't in dispute. And so I'll be brief in my description of events here.

Mr A was contacted by scammers pretending to have a job opportunity available. He was told he'd receive commission and a salary for completing tasks online. To receive these payments, he'd need to open a cryptocurrency wallet, which he did.

Once Mr A started the work, he was assigned tasks that required him to deposit funds from his own cryptocurrency wallet to one controlled by the scammers. Mr A was assured he'd be reimbursed any funds he sent as part of his salary and commission. Whilst these payments started small, the quickly grew in value.

Mr A realised something was wrong when the requests for payment kept on coming, he ran out of money to send, and he wasn't receiving back what was promised. He reported what had happened to Santander.

Santander accepted Mr A had been the victim of a scam but told him it wouldn't reimburse any of his loss. It said he'd authorised all of the payments himself. And that because the payments were made by card or went to an account in his own name, the protections of the Contingent Reimbursement Model didn't apply.

Mr A brought his complaint to our service where it was considered by one of our investigators. She thought it ought to be upheld, with Mr A receiving a partial refund.

She acknowledged the payments were authorised by Mr A and that the CRM Code didn't apply to those payments. But she believed that the transactions presented an identifiable scam risk, and she felt Santander ought to have acted to prevent financial harm through fraud.

Our investigator explained it was her view that Santander ought to have intervened at payment number 14 (in a series of 24, over the course of 2.5 weeks). She noted the same relatively new payee had been sent money five times in quick succession, with the individual payment value escalating until it reached £1,000. She could also see the payments were identifiably being made to a cryptocurrency platform, which Santander ought to have recognised as a significant risk factor, given the prevalence of scams involving such platforms.

She was further satisfied that Santander had failed to step in to question Mr A about the payments, had failed to provide sufficient warnings about them, and that an appropriate warning would have resonated with Mr A and seen further losses to the scam avoided. Her recommendation was then that Santander reimburse Mr A's losses from payment 14 onward.

But she went on to say that, given Mr A hadn't acted reasonably, he should bear responsibility for half of the loss from that point.

Mr A accepted the investigator's findings, but Santander didn't. The case has now been passed to me for 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 done so I'm upholding it and for broadly the same reasons as our investigator. I don't intend for my findings here to be lengthy. Our investigator already set out in some detail why Mr A should receive a partial reimbursement from Santander. It's also the case that Santander ought to be very familiar with this service's approach to complaints like these, where a consumer authorises payments made toward a scam and those payments go to an account or wallet in their own name before being lost to a scammer.

It is the case that consumers are generally responsible for any payments made from their account which are properly authorised. And, when a payment instruction is received, an account provider like Santander ought to process such instructions quickly. The Payment Services Regulations (2017) are the relevant regulations which confirm as much.

But, taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Santander should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud. This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

Like our investigator, I'm persuaded Santander needed to act at payment 14. Factors including payment frequency, velocity, value, and destination all come into play here. And they contribute to a picture that matches well-known scam trends, which Santander ought fairly and reasonably to have been aware of and alive to. It needed to ask Mr A what he was doing, and why, to further establish the circumstances behind the payments so it might then deliver an appropriate warning.

Santander didn't do that here. At best it asked Mr A to confirm it was him making the payments. But that was insufficient action here and wouldn't have identified or negated the scam risk.

I've seen no evidence to suggest Mr A was instructed to lie to the bank or to give a cover story if challenged as to the purpose of the payments. It follows then that he would have been honest and explained he was paying money in order to complete tasks for an online job. This would have seen the scam revealed to Santander. It ought then to have warned against the specific scam. Nothing within the evidence suggests to me Mr A wouldn't have listened, seeing the scam brought to light.

Given these failures on Santander's part, I'm satisfied it can be held responsible for some of Mr A's loss. And I don't find it's argument around payments going to an account/wallet in Mr A's own name to be a persuasive reason for it not to be held accountable. Mr A has complained about Santander, and I've found it was at fault and could have prevented his loss. It might be there are other parties involved in the payment journey that *might* also have helped reveal the scam. But I am dealing with the complaint that is before me, and I've found there are fair and reasonable grounds for compensation.

Our investigator found that Mr A ought to bear some responsibility for his loss, given he didn't act reasonably in the circumstances. That was reflected in a recommendation that he be reimbursed 50% of the losses from payment 14 onwards. Given Mr A accepted those findings I see no need to depart from them.

I have considered whether Santander might have recovered any of Mr A's money from the accounts it was sent to. But we know Mr A sent the funds on himself from those accounts, meaning they were lost with no prospect of recovery.

Putting things right

On Mr A's acceptance, Santander must:

- Reimburse 50% of Mr A's loss from payment 14 onwards, taking account of any credits received as part of the scam. Having looked to apportion such credits across parties and the lifespan of the scam, I calculate the reimbursement figure to be £2,284.65;
- Pay interest on that sum at 8% simple per year, calculated from the date of loss to the date of settlement.

My final decision

I uphold this complaint against Santander UK Plc.

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

**Ben Murray
Ombudsman**