

The complaint

Mr N complains that Santander UK Plc won't reimburse him after he made a payment to an individual that he now considers was paid towards an investment scam.

Mr N is professionally represented in bringing his complaint, but for ease of reading I'll refer to all submissions as being made by Mr N directly.

What happened

On 4 November 2025, I issued my provisional decision on this complaint. I wanted to give both parties a chance to provide any more evidence and arguments before I issued my final decision. That provisional decision forms part of this final decision and is copied below.

The complaint has been set out in some detail already by the investigator so I won't repeat everything again here. But briefly, both parties accept that in October 2021, Mr N made a payment in branch to an individual known to him (who I'll refer to as Mr W) for £12,000, with a reference for the payment relating to rent. Mr N has since explained that this payment was in fact being made with the intention of investing in a firm called H, which has since been widely accepted to be a scam.

When Mr N failed to receive any returns on his investment and the firm stopped 'trading', Mr N contacted his bank to raise a claim. Santander considered Mr N's claim but didn't uphold it. It said payments had been made across several years between Mr N and Mr W, with Mr N having received previous credits of around £5,000 in total. It therefore considered that this was a civil dispute between the two individuals.

Mr N remained unhappy and referred his complaint to our service. An investigator considered the complaint but didn't think Santander was liable to reimburse Mr N. He didn't think Mr N had provided sufficient evidence that the payment Mr N made was the result of an investment with H. He accepted Mr N did have an account with H, and that Mr N did make a payment to Mr W – but he didn't think the evidence tied the two sufficiently together.

Mr N disagreed with the investigator's view. He provided further evidence, such as photos of texts on his phone that suggest Mr W had confirmed payments made were going towards an investment with H and further evidence of his account with H. As Mr N didn't agree with the investigator's view, the complaint has been referred to me for a decision.

What I've provisionally 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 aware that I've summarised this complaint and the responses briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here – which is to determine whether there is sufficient evidence to conclude that a scam has taken place (and in any event, whether Santander should be liable for any losses). If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual

point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

However, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

Santander was a signatory of the Lending Standards Board's Contingent Reimbursement Model (the CRM Code) from May 2019 until 2024 when it was retired. This required firms to reimburse customers who have been the victim of certain types of scams, in all but a limited number of circumstances. But customers are only covered by the CRM Code where they have been the victim of an APP scam – as defined within the CRM Code. So if I am not persuaded that there is sufficient evidence of a scam then I will not have a basis to uphold the complaint.

I've considered all the additional information that has been provided since the investigator issued their view, but it still doesn't persuade me that we have sufficient evidence of Mr N's funds ultimately being sent to H. While Mr H has provided further evidence tying his payment to H, there are unusual features of the screenshots he's provided, and I'm concerned by the time it's taken for these to be sent to our service, despite other screenshots of a similar nature having been provided sooner.

In any event, I haven't needed to make a finding on this evidence as even if I assume Mr N's losses were the result of a scam with H, I'm not minded to uphold his complaint. I've explained why in more detail below.

In order to determine that Mr N is entitled to a refund under the CRM Code, I'd need to conclude that Mr W obtained Mr N's funds with the intent to deceive – that is, he was aware that H was a scam from the outset and obtained Mr N's funds in the knowledge he'd receive nothing in return. I've seen nothing to evidence that Mr W was party to this scam, rather than another unwitting member. Mr N has explained that Mr W brought a number of investors on board that he received profits, from who lost all their funds – but this doesn't evidence he was complicit in the scam. The nature of such pyramid schemes function on the premise that early victims bring others on board (on the basis that they themselves appear to be profiting) until the scheme fails. In fact, Mr N has provided a screenshot of a conversation with H that, if I accept was between him and H, suggests that Mr N also signed up new members. Therefore, while Mr W may or may not have obtained more funds than he placed into H, this does not demonstrate he was aware himself that this was a scam. I therefore don't think Mr W's complaint is covered under the CRM Code.

Mr N has stated that Mr W also deceived him at other periods when living together– stating he lost £11,000 through Mr W not paying the rent on their property. Even if this is the case, a deception in one way does not demonstrate Mr W also deceived Mr N about H being legitimate, or that he knew otherwise. In any event, Mr N has also said that he only lived with Mr W for two months, with weekly rent of £100, so unfortunately the evidence Mr N has provided is inconsistent and impacts the weight I'm able to place on it.

I've also thought about whether Mr W's complaint should be successful for any other reason outside of the CRM Code. As I've set out above, I don't think there is sufficient evidence here to support that Mr N was the victim of a scam in H – but even if I did, I don't think it would be reasonable to determine that Santander should have identified this payment as

being made towards a scam. As referenced above, payments had been made between Mr N and Mr W for years prior to this disputed payment. When Mr N made the payment in branch, he asked for a reference of 'rent' to be added to the payment. Santander has confirmed that it blocked the payment for further questioning (although relevant calls are no longer available due to the passing of time) before releasing the payment.

Based on the payment reference, I think it's most likely that Mr N wouldn't have told Santander the genuine payment purpose and would instead have said that he was making a payment to a friend for rent – and based on the longstanding relationship between accounts, this likely would've appeared plausible to Santander. I therefore don't think Santander acted unreasonably by processing this payment.

Therefore, to summarise, while I'm sorry to disappoint Mr N, I'm not persuaded by the evidence he's provided that the payment he made was the result of falling victim to an APP scam, and even if it was, I don't find there are any reasons for Santander to be held liable for the payment.

My provisional decision

My provisional decision is I don't uphold Mr N's complaint.

Mr N disagreed with my provisional decision. To summarise, he said the following:

- He reiterated that he had been accompanied to the branch to make this payment by a carer and provided a supporting statement that this is what this payment was for. He also reiterated that Mr W signed multiple individuals up and received money for this.
- Mr N highlighted that he has autism and learning difficulties, which need to be considered under the Equality Act 2010. He also felt there was discrimination within the decision;
- Mr N's other bank found he had been the victim of a scam and reimbursed him;
- Mr N's losses have had a severe impact on his life and mental health.

Santander didn't respond to 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.

I appreciate Mr N's strength of feeling in this case, and I'd like to assure him I've carefully considered all the additional points he has made. However, having done so, while I'm sorry to disappoint Mr N, my opinion remains the same and I am not upholding his complaint. I've provided my reasons below, covering Mr N's additional points.

I first want to say I'm sorry if Mr N felt his autism and learning difficulties weren't considered in my provisional decision or that he was discriminated against. I want to reassure him that while I didn't cover his autism in my decision, it was something I was aware of from his testimony and was something I considered as part of his complaint.

The reason I didn't reference this point directly is that my role is to determine first whether there is enough evidence that Mr N has been the victim of a scam, and if so, whether Santander did enough to protect him when making the payment. If I decide a scam has taken place, I can then consider Mr N's personal characteristics such as his autism and

learning difficulties, whether Santander were aware of them and if so, whether it ought to have done more to protect him on this basis. But as I set out in my decision, I unfortunately haven't determined that Mr N has provided enough evidence of this being a scam. Therefore the question of whether Santander 'did enough' doesn't become a consideration, as I haven't been able to demonstrate that there was a scam to protect him from.

That isn't to say that I disbelieve what Mr N has told us – he's certainly shown evidence that - at some point - he did have an account with H. But our service is impartial and looks at both Mr N's and Santander's sides of the complaint. And unfortunately, it's simply the case where, if the evidence doesn't sufficiently support the complaint being made, I can't ask Santander to refund Mr N for it. And for the reasons I've already set out in my provisional decision, I don't think we have enough evidence to demonstrate that the specific payments in question were made towards H.

While Mr N has been reimbursed funds made towards the scam from another bank, each banking provider has its own policies and makes decisions differently about what it will or won't reimburse and I'm not able to extend the decision of one bank and require another to follow suit where I don't think the outcome it's reached was incorrect.

I also want to clarify some points Mr N raised in his view where there appears to have been a misunderstanding. When referencing other payments made between Mr N and Mr W's accounts, I wasn't suggesting that these were returns from his investment with H. I was only highlighting that from Santander's perspective, there was already a relationship between Mr N and Mr W and so when it questioned him regarding this payment which Mr N had referenced as 'rent', I think this established relationship would've reassured Santander that this was a genuine payment. I also think that makes it *more likely* that during the conversation with Santander, Mr N would have provided the same story that the payment was to cover rent.

Therefore to conclude, while I'm sorry to disappoint Mr N, my opinion remains the same and I'm not directing Santander to reimburse him his losses. I'm very sorry to hear of the impact this loss has had on Mr N, and my intention isn't to downplay or diminish that. My role here is only to look at the role of Santander and whether it ought to have done more, and based on everything I've seen, I don't think Santander is responsible for Mr N's losses.

My final decision

My final decision is that I don't uphold Mr N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 17 December 2025.

Kirsty Upton
Ombudsman