

The complaint

Mrs G is complaining that Santander UK Plc didn't do enough to prevent her from making payments to an investment scam.

The complaint is brought on her behalf by a professional representative.

What happened

In late 2024 Mrs G's representative reported to Santander that the following payments she'd made between May 2020 and April 2021 had been invested in and lost to an investment scheme which is now generally recognised to be a scam.

Payment date	Type of payment	Payee	Amount
14 May 2020	Transfer	Cryptocurrency provider 1	£2,000
29 June 2020	Transfer	Cryptocurrency provider 1	£7,334.19
26 March 2021	Debit card	Cryptocurrency provider 2	£381.42
30 March 2021	Debit card	Cryptocurrency provider 2	£162.52
5 April 2021	Debit card	Cryptocurrency provider 2	£335.38
5 April 2021	Debit card	Cryptocurrency provider 2	£287.02
8 April 2021	Debit card	Cryptocurrency provider 2	£143.81

Santander responded to say the payments weren't within the scope of the Contingent Reimbursement Model (CRM) Code, so it wouldn't be refunding them. Mrs G brought a complaint to the Financial Ombudsman Service.

Our Investigator looked into what had happened. He issued his view to say he thought Santander had intervened appropriately when Mrs G made the payments. After Mrs G's representative responded, he issued a second view to say that he didn't think we'd received enough evidence to substantiate Mrs G's loss to the scam.

Mrs G's representative didn't agree. It thought Santander ought to have done more to intervene in the disputed payments. And it sent us some more evidence which it said shows Mrs G had suffered the loss she'd claimed.

Mrs G's complaint was passed to me for review and a decision.

I issued a provisional decision for Mrs G's complaint. This is what I said.

"I'm not currently minded to uphold Mrs G's complaint. I'll explain why.

I've thought about the Contingent Reimbursement Model (CRM) code which can offer a potential means of obtaining a refund following Authorised Push Payment (APP) scams. But payments sent to another account within the customer's control aren't covered under the CRM code, and neither are debit card payments – so I can't consider Mrs G's complaint with it in mind. I've therefore considered whether Santander should reimburse Mrs G under any of its other obligations.

There does seem to be some inconsistency in the evidence that's been provided to substantiate Mrs G's loss to a scam here. Much of the evidence originally supplied was generic information about how the scam worked rather than directly related to Mrs G's involvement in it. And the evidence Mrs G's representative has now provided of her investments on the scheme's platform (under various aliases) shows transactions dating from October 2021 – which is 18 months after the first disputed payment and six months after the final payment. So, it's difficult to see how this evidence relates to these disputed payments, as I'd have expected that the disputed payments would have been invested into the platform shortly after they were made.

I think it's also relevant that Mrs G reported that the first two disputed payments had been part of a scam to Santander in August 2020, but at the time she named a different investment scheme to the scheme her representative has said the payments were made to in this complaint. I appreciate that it's been some time since the payments were made and it's possible Mrs G doesn't recall which payments she made to which scheme. But it remains the case that there isn't enough evidence here to link the disputed payments from Santander to the scam Mrs G says she's experienced when this complaint was brought to us, or to show that these payments were lost in their entirety.

But ultimately, I don't need to make a finding on whether Mrs G has suffered the loss to the scam she's claimed in order to reach a fair outcome here. This is because even if I did accept that Mrs G had suffered the loss she has claimed, I don't think Santander ought to have done anything else here to prevent her from making the disputed payments.

When a payment is authorised, Santander has a duty to act on the payment instruction. But in some circumstances, it should take a closer look at the circumstances of the payment – for example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payment. I'd expect any intervention to be proportionate to the circumstances of the payment.

But I've also kept in mind that Santander processes high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

I wouldn't have expected Santander to have intervened in the debit card payments as they weren't of a value where I'd expect it to be concerned about them. And Santander has sent us some evidence to show that it did intervene in the payments Mrs G made by transfer in May 2020 and June 2020, by asking Mrs G for the purpose of the transfers. It then gave Mrs G a written scam warning related to the payment purpose she'd chosen.

For the first payment Mrs G selected "transfer to an investment" and she was given a warning about investment scams which explained, in summary, that if you've been contacted out of the blue about an investment opportunity, it's highly likely to be a scam – and you should check the details of the company thoroughly, including checking with the Financial Conduct Authority (FCA).

For the second payment Mrs G selected “anything else”. She was then given a more general scam warning based on the answer she gave.

I’m bearing in mind that these payments were made to cryptocurrency providers and that Santander should have been aware of the risks of scams involving payments to cryptocurrency. But at the time these payments were made in 2021 and 2022, I’d have expected Santander to take into account a range of factors when deciding whether to intervene; I wouldn’t expect it to treat payments to cryptocurrency as carrying a significantly heightened risk of fraud. I also wouldn’t have expected Santander to have provided a warning tailored to the specific risks of cryptocurrency investment scams. So, I think the written warnings Santander provided, which were based on what Mrs G said the payments were for, were a proportionate intervention in all the circumstances of these payments at the time they took place.

When Mrs G reported the first two payments to Santander she told it that she had been contacted out of the blue about investment opportunities, and at the time there had also been a warning published by the FCA that the scheme she’s now said she was investing in wasn’t authorised by it. So, it’s unfortunate that the investment scam warning didn’t resonate with Mrs G as it did appear to have some relevance. But this doesn’t mean that the warning wasn’t proportionate or that Santander ought to have done more to intervene here.

It looks like Santander did attempt to recover the first two payments when Mrs G reported them as part of a scam in August 2020, and again when they were reported in 2024, but it was unsuccessful. In any event as the payments remained in Mrs G’s control after they left Santander and were only then transferred onwards I don’t think recovery would ever have been possible here.

The rest of the disputed payments were made by debit card. Debit card payments can sometimes be disputed through a process called chargeback, subject to the relevant card scheme’s rules. But by the time the debit card payments were reported to Santander it was outside the time allotted to submit chargeback claims under the card scheme rules. And in any event, there don’t appear to have been any grounds for chargeback claims to have been made, given there’s no dispute that the cryptocurrency Mrs G paid for was provided to her before she moved it on.

I’m sorry to disappoint Mrs G. But for the reasons I’ve explained, I don’t consider that it would be fair or reasonable to uphold her complaint.”

Santander replied to say it accepted my provisional decision.

Mrs G’s representative replied to make the following points (in summary):

- Santander failed to take sufficient steps to protect Mrs G despite cryptocurrency scams being widely recognised at the time.
- Santander’s warnings were not tailored or effective.
- Mrs G was inexperienced and vulnerable making her first cryptocurrency related transactions and Santander should have carried out a verbal intervention or meaningful questioning.
- The principles of the CRM code are relevant, and it’s incorrect to say the funds remained under Mrs G’s control when funds are transferred to third party platforms.
- The focus on inconsistencies in Mrs G’s recollection is unfair and doesn’t change the

fact that Santander's duty must be assessed based on the risks evident at the time.

- Had Santander acted in line with industry standards at the time the payments would likely have been prevented.

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 thank Mrs G's representative for replying to my provisional decision. But having considered what it has said, I'm not departing from my provisional decision that I'm not upholding Mrs G's complaint.

I don't think it's unfair that I've pointed out the inconsistencies in Mrs G's testimony – it's important to establish that a loss has occurred and fully understand the circumstances which led to the loss in order to reach an outcome that is fair to both parties. Mrs G's representative says the inconsistencies don't change the fact that Santander's obligations must be assessed on the risks evident at the time, but I think it's clear that I have carried out this assessment in my provisional decision, despite the inconsistencies in the testimony.

I have explained in my provisional decision why I think Santander's interventions were sufficient in the overall circumstances of the payments and at the time they were made, and I don't intend to set this out again. I appreciate that Mrs G's representative disagrees with my findings here, but it's not said anything to make me change my decision on these points.

It remains my decision that CRM code considerations don't apply here. The funds were not transferred directly from Santander to the scam – they were transferred into cryptocurrency accounts in Mrs G's name and then moved on to the scam. Mrs G's representative has referred to a vulnerability, but I've not seen anything to make me think Santander was aware or ought to have been aware of any vulnerability at the time, such that it ought to have done anything differently.

Once again, I'm sorry to disappoint Mrs G. But for the reasons I've explained, I'm not upholding her complaint.

My final decision

My final decision is that I'm not upholding Mrs G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 23 December 2025.

Helen Sutcliffe
Ombudsman