

The complaint

Mr L complains that Santander UK Plc (“Santander”) hasn’t protected him from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, Mr L has explained that in June 2024 he made two payments from his Santander account for what he thought was a legitimate investment. Mr L subsequently realised he’d been scammed and got in touch with Santander. Ultimately, Santander didn’t reimburse Mr L’s lost funds, and Mr L referred his complaint about Santander to us. As our Investigator couldn’t resolve the matter informally, the case has been passed to me for a decision.

I emailed Santander on 19 November 2025 explaining why I was intending to uphold this complaint. I haven’t received a response from Santander. But I’m satisfied that it’s had fair opportunity to respond. We’ve also updated Mr L’s representative on this. So I’m now ready to explain my 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’ve decided to uphold Mr L’s complaint. I’ll explain why.

The two payments in question are as follows:

| | |
|--------------|---------|
| 13 June 2024 | £20,000 |
| 18 June 2024 | £15,000 |

I understand these payments were made from Mr L’s Santander account to a newly opened account with Virgin Money in his name, from where they were sent on to a newly opened account with Revolut in his name, from where they were sent on to a cryptocurrency exchange and lost to scammers from there.

Should Santander have recognised that Mr L was at risk of financial harm from fraud? And, if so, would reasonable and proportionate intervention from Santander most likely have prevented Mr L’s loss?

Santander is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the lookout for the possibility of fraud, and to have made additional checks before processing payments in some circumstances.

Further, since 31 July 2023, under the FCA’s Consumer Duty, regulated firms (like Santander) must act to deliver good outcomes for customers (Principle 12) and must avoid

causing foreseeable harm to retail customers (PRIN 2A.2.8R). Avoiding foreseeable harm includes ensuring all aspects of the design, terms, marketing, sale of and support for its products avoid causing foreseeable harm (PRIN 2A.2.10G). One example of foreseeable harm given by the FCA in its final non-handbook guidance on the application of the duty was *“consumers becoming victims to scams relating to their financial products for example, due to a firm’s inadequate systems to detect/prevent scams or inadequate processes to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers”*.

With the above in mind, I’ve reviewed Mr L’s account history and it’s clear these two payments on 13 and 18 June 2024 were unusual and uncharacteristic for Mr L. They were large payments that he wasn’t accustomed to making. In these circumstances, with the payments being so large, I do think Santander ought to have recognised Mr L was at risk of financial harm from fraud.

Santander should also have been aware of the increase in multi-stage fraud, involving money passing through more than one account under the consumer’s control before being sent to a fraudster. Our service has seen a significant increase in this type of fraud over the past few years. By the time these payments were made in 2024, Santander ought to have understood this very well. So I don’t think Santander ought to have felt reassured about the payments just because it could see they were being made to an account in Mr L’s name (if it could see this).

That said, I think it’s unlikely that Santander would have been able to prevent these payments being made if it had intervened and spoken to Mr L about the payments. This is because I’ve seen evidence that persuades me Mr L would have been extremely vulnerable to being scammed like this, and likely would have been influenced to continue with the payments anyway (without his attorneys becoming involved).

However, I don’t think Santander talking to Mr L about the payments would have been sufficient here. This is because Mr L’s representative has described that a lasting power of attorney was registered in 2014 because Mr L was vulnerable. I understand Mr L has Asperger’s Syndrome and is vulnerable to persuasion; also, that Mr L has previously been the victim of fraud. There is a note on Santander’s system about this lasting power of attorney going onto the account in 2014.

Mr L’s representative has also explained how Mr L later fell victim to scams sometime between 2016 and 2018, and how one of Mr L’s attorneys at that time had a conversation with Santander in branch about how Mr L was vulnerable to being scammed, the need to protect him from financial harm, and whether limits could be placed on the size of payments, and whether the attorneys could be made aware of any unusual payments in the future to do this. I understand that Mr L’s representative has said they are aware from a DSAR that Santander’s systems have some record of this contact in or around 2018. This note does not appear to have been disclosed to us in Santander’s business file, albeit I understand Santander isn’t disputing some contact happened.

Ultimately it’s a matter for Santander how it records these things. But what’s clear to me here is that Santander was on notice that Mr L was particularly vulnerable to being scammed. Santander also knew about the registered lasting power of attorney, and the attorneys wish for Mr L to be protected from financial harm from scams. I’m therefore persuaded that Santander ought to have realised from the payments that Mr L was at risk of financial harm, that this ought to have led to human intervention before the payments were allowed to be sent, and that ultimately, if Santander had then done what it should have done, it would have taken steps to contact Mr L’s attorneys before allowing the payments to be sent. I have no

doubt had it done so, that the attorneys would have stepped in and these payments would have been prevented and Mr L's loss would have been avoided.

Is it fair and reasonable for Santander to be held responsible for Mr L's loss?

I've taken into account that the money that funded these payments from Mr L's Santander account came from two loans from two third-party lenders; that the money was then paid to Mr L's Virgin Money account; that it was transferred on from there to Mr L's Revolut account; and only then, from there, was it sent onto a cryptocurrency exchange and lost to scammers.

But as I've explained, I think that Santander still should have recognised that Mr L might have been at risk of financial harm from fraud when he made the two payments in question from his Santander account. And then, if Santander had done what it reasonably should have, it would have prevented the loss Mr L suffered.

I understand that the third-party lenders are still holding Mr L liable for the loans that funded the payments. And the fact the money used to fund the scam came from there and wasn't lost at the point it was transferred from Mr L's Santander account to Mr L's Virgin Money account does not alter that fact, and I think Santander can fairly be held responsible for Mr L's loss in such circumstances. I don't think there is any point of law or principle that says that a complaint should only be considered against either the firm that is the origin of the funds or the point of loss.

I've also considered that Mr L hasn't brought a complaint here about the third-party lenders or Virgin Money, and I can't compel him to. Instead I have to consider the case in front of me against Santander. And whilst he has brought a complaint here about Revolut (which I am also deciding), I have seen no evidence Revolut was aware of Mr L's vulnerability like Santander clearly was (the Revolut account was newly set up and there wasn't the history that Mr L had with Santander). I therefore don't think Revolut would have been able to prevent the payments out of the Revolut account if it had intervened appropriately since it would only reasonably have been in touch with Mr L.

Ultimately, I must consider the complaint that has been referred to me (not those which haven't been or couldn't be referred to me) and for the reasons I have set out above, I am satisfied that it would be fair to hold Santander responsible for Mr L's loss of the £35,000.

Should Mr L bear any responsibility for this loss?

I've thought about whether Mr L should bear any responsibility for the loss of the £35,000. But here I don't think that would be fair. Mr L and his attorneys recognised his vulnerabilities to persuasion and that is the reason why they had registered the lasting power of attorney in 2014 and had contact with Santander (prior to these payments in 2024) about the need to carefully monitor his payments to avoid financial harm. I can't say, when Santander has failed to do what I'd reasonably expect it to have then done and Mr L consequently suffered loss, that it would be fair to say Mr L ought to bear any responsibility for this given his vulnerability.

My final decision

For the reasons explained, I uphold this complaint and I direct Santander UK Plc to pay Mr L £35,000 plus interest calculated at 8% simple per year from the date of each payment to the date of settlement. If Santander considers that it's required to deduct income tax from that interest, then it should tell Mr L how much it's taken off. It should also give Mr L a tax deduction certificate if he asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 2 January 2026.

Neil Bridge
Ombudsman