

The complaint

Mrs L complains that Santander UK Plc hasn't reimbursed the money she's lost to an investment and recovery scam.

What happened

As I understand it, Mrs L was introduced to a company offering investments in cryptocurrency, which appeared to be endorsed by a well-known public figure. She made a small initial investment which grew quickly. However, she then lost contact with the company. Later, she was contacted by someone who claimed they could help her recover the money she'd lost to the investment for a fee. Unfortunately, she was dealing with a scammer/s rather than genuine companies on both occasions.

Mrs L made the payments set out in the table below to the scams, from two of her Santander accounts. All of the payments went to accounts held in her own name with two other firms before they were lost to the scams.

| payment number | payment date | payment amount | from Santander account 1 or 2? | to receiving firm A or B? | refunded? |
|----------------|---------------|----------------|--------------------------------|---------------------------|--------------------------|
| 1 | 21 March 2023 | £20 | 1 | A | no |
| 2 | 21 March 2023 | £15 | 1 | B | no |
| 3 | 29 March 2023 | £456 | 1 | B | no |
| 4 | 13 April 2023 | £3,000 | 1 | B | firm B has refunded 100% |
| 5 | 13 April 2023 | £1,000 | 1 | B | firm B has refunded 100% |
| 6 | 18 April 2023 | £6,990 | 1 | B | firm B has refunded 50% |
| 7 | 20 April 2023 | £10,000 | 1 | B | firm B has refunded 50% |

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|----|---------------|---------|---|---|--------------------------|
| 8 | 21 April 2023 | £8,000 | 1 | B | firm B has refunded 50% |
| 9 | 28 April 2023 | £24,000 | 2 | B | firm B has refunded 50% |
| 10 | 9 May 2023 | £17,000 | 1 | B | firm B has refunded 50% |
| 11 | 12 May 2023 | £1,000 | 1 | B | firm B has refunded 50% |
| 12 | 12 May 2023 | £3,600 | 1 | B | firm B has refunded 50% |
| 13 | 12 May 2023 | £5,000 | 1 | B | firm B has refunded 50% |
| 14 | 30 May 2023 | £2,400 | 1 | B | firm B has refunded 100% |
| 15 | 5 June 2023 | £650 | 1 | B | firm B has refunded 100% |
| 16 | 13 June 2023 | £3,500 | 2 | B | firm B has refunded 100% |
| 17 | 15 June 2023 | £12,000 | 2 | B | firm B has refunded 100% |
| 18 | 16 June 2023 | £13,000 | 2 | B | firm B has refunded 100% |

When Mrs L realised she'd been defrauded, she contacted Santander. It looked into things but it didn't agree to reimburse her. In summary, the bank said:

- Mrs L authorised the disputed payments and they arrived safely at their intended destinations. Santander is not responsible for the loss here as Mrs L's payments were to accounts held in her own name with other firms – Mrs L's fraud claim sits with the final firms in the chain.
- Warnings were provided in line with the payment reasons Mrs L selected ('transfer to own account') and Santander had several conversations with Mrs L. She said she

was making home improvements, and that she wasn't being told to lie to the bank. She was told that celebrity endorsements were a scam.

- There's a possibility that Mrs L could receive refunds from multiple firms.
- Mrs L is liable for her loss as she continually made payments to her own accounts for investments, she was dishonest with the bank, and she downloaded screen-sharing technology.
- There was a Financial Conduct Authority warning in place about one of the scam companies Mrs L dealt with at the relevant time.

Mrs L referred a complaint to our Service. It was looked at by an investigator who didn't uphold it. They said that Santander couldn't reasonably have prevented Mrs L's financial loss, so it can't fairly be held liable for it.

Mrs L didn't accept our investigator's opinion, so the complaint was passed to me to decide.

My provisional decision

I issued my provisional decision on 26 November 2025. I'll set out my findings below.

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, that isn't the end of the story. Taking into account the law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I think that Santander should:

- Have been monitoring accounts and payments made or received to counter various risks, including fraud and scams, money laundering and the financing of terrorism.
- 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 (amongst other things). 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.
- In some circumstances, irrespective of the payment channel used, have taken additional steps or made additional checks before processing a payment, or in some cases declined to make a payment altogether, to help protect its customers from the possibility of financial harm.

Santander's fraud detection systems were triggered by payment number 9, and I think that's reasonable. Considering Mrs L's usual account activity leading up to the scams, and the activity during the early stages of the scams, I don't think Santander ought reasonably to have recognised that Mrs L was at risk of financial harm from fraud before payment number 9 was instructed. I say this because payments numbers 1-8 were spread out over the period of a month. And, although some of those payments were fairly high-value, they were going to accounts in Mrs L's own name, and they were lower in value than genuine payments Mrs L had recently made to accounts in her own name. I don't think it would be fair to hold Santander liable for the loss of payments I wouldn't reasonably expect it to have recognised carried a fraud risk.

But payment number 9 was for significantly more than any other recent payments out of Mrs L's accounts and Santander took steps to protect Mrs L when she instructed that payment, as I think it ought to have. I've gone on to consider whether its intervention went far enough.

I've seen that Santander asked Mrs L what payment number 9 was for, and she said she was making improvements to her second home. She said that she didn't have any quotes for the improvements or contractors lined up, but she'd taken out a loan (which had credited her

Santander account and was being moved to her newly opened account with firm B), and she was cashing-in a bond to pay for them. Santander had suspicions that Mrs L may be falling victim to a scam, so it asked her to attend a branch and provide identification, proof of ownership of her second home and investment paperwork. It let payment number 9 go once Mrs L had done this.

Banks need to ask probing questions when intervening, to get into the detail of payments – providing context around the questions asked. And they need to hold up customer answers to a reasonable level of scrutiny, reacting to the information they're given and questioning anything implausible or unusual. Interventions should be proportionate to the scam risk. And banks should be on notice that consumers might be equipped with a 'cover story', so their answers shouldn't always be taken at face-value – they should be challenged where there are reasons to think they might not be being truthful. With all that in mind, I don't think Santander did enough to protect Mrs L.

Santander was obviously quite concerned that Mrs L was at risk of financial harm, and I think it was right to be. Mrs L was 76 years old at the time. She was moving loan funds through multiple accounts, to a newly opened account, and cashing-in investments in order to fund work on a property (a commonly used cover story in scams) which she could not evidence – she didn't have an idea of how much the work on her property would even cost, but she was already taking out loans and cashing-in investments to raise funds. On a closer review of Mrs L's Santander accounts, it would have been clear that there had been other, higher-value payments to accounts in Mrs L's name with other firms leading up to payment number 9. I think this is all indicative of a scam occurring, and it's clear from Santander's evidence that it recognised that. But it didn't provide any specific or relevant warnings, and I don't think it probed adequately or requested evidence that would reasonably prove Mrs L wasn't falling victim to a scam considering the story she was giving it.

I note that Mrs L was confidently and intentionally misleading Santander, and hindering its attempts to identify the fraud risk, but I think the bank ought to have done more to try and protect Mrs L – for example, by probing and challenging her, providing context around the questions it was asking, and giving fuller scam warnings. Of course, Santander could also have invoked the banking protocol if it was unable to get to the bottom of what was happening to its satisfaction or deter Mrs L from making the payment – I think it's difficult to say that a police intervention here wouldn't have broken the spell of the scam.

If Santander's intervention had gone far enough with payment number 9, I consider it likely that Mrs L wouldn't have lost that payment, or any further payments, to the scam. So, I think it's fair to hold Santander liable, at least in part, for the loss of payments 9-18.

Firm B has fully refunded payment numbers 14-18, so I won't consider those payments further. In terms of redress, I will concentrate on payments 9-13.

I've thought about whether Mrs L should share some responsibility for the loss of payments 9-13 by way of contributory negligence, and I think she should. I appreciate that she has fallen victim to a cruel and callous scam, and I've found that Santander could've done more to protect her from that scam by payment number 9. But I also think it's difficult to find that Mrs L shouldn't have done more to protect herself from the scam. I haven't been provided with any evidence which demonstrates that Mrs L took any steps to protect herself, as I think she ought to have before handing over large sums of money. This is despite the bank flagging that something could be amiss when payment number 9 was instructed.

Payments numbers 9-13 were forwarded from Mrs L's account with firm B to her account with firm A before being lost to the scam. But Mrs L has not brought a complaint against firm B, and I cannot compel her to do so.

Firm A has accepted partial responsibility for the loss of payments 9-13 – refunding 50% of each payment. As set out above, I think Santander and Mrs L should share responsibility for the loss of those payments with firm A, so that all involved parties (Mrs L and the firms she's complained about) share liability for the loss of payments 9-13 equally – in this way, Mrs L would be liable for a third of the loss (£16,867), and Santander and firm A would be liable for the remainder of the loss (£33,733).

Firm A has reimbursed £25,300 of the amount I think it would be fair for it and Santander to share liability for. So, I consider it fair and reasonable to require Santander to reimburse the remaining £8,433 at this time and pay interest at a rate of 8% simple per annum from the dates the payments were made to the date of settlement. This is to compensate Mrs L for the loss of the use of these funds.

Responses to my provisional decision

Overall, Mrs L accepted my provisional decision. And Santander didn't respond to it.

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.

As Mrs L has accepted my provisional decision, and neither party has provided any new information or evidence for me to consider, I see no reason to depart from the conclusions I set out in my provisional decision.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part and instruct Santander UK Plc to reimburse Mrs L with £8,433 and pay interest at a rate of 8% simple per annum on that amount from the dates the payments were made to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 8 January 2026.

Kyley Hanson
Ombudsman