

## The complaint

Mr A has complained that Santander UK Plc won't refund money he lost to a scam.

## What happened

Mr A has said he was contacted by who he thought was a lawyer in Romania, stating his family qualified for citizenship. Mr A wanted his father and sisters to have a more comfortable life, as such he expressed an interest. He submitted applications for all three. Mr A realised that he had been scammed when he showed the documents, he received to government officials in the Romanian consulate in Pakistan. They confirmed that all of the documents that he had received were fake documents with forged signatures.

This is how the transactions appeared on Mr A's account with Santander:

<b>Date</b>	<b>Payment number</b>	<b>Amount</b>
22/09/2022	Payment one	£2,200
01/11/2022	Payment two	£6,000
07/08/2023	Payment three	£2,176.90
18/01/2024	Payment four	£5,950
	<b>Total</b>	<b>£16,326.90</b>

Mr A felt Santander ought to have intervened on the payments and if it had done so it would have prevented his loss. So, he complained to Santander.

Santander looked into his concerns, and it said, as Mr A transferred the money to accounts in his own name (and then on to the scammer) he would need to raise a complaint with the third party who Mr A transferred the funds too. As such it didn't think it had acted unfairly and didn't refund Mr A's transactions. Mr A remained unhappy so he brought his complaint to our service.

Our investigator looked into Mr A's complaint, but he didn't recommend it be upheld. Mr A didn't agree and so, he asked for the complaint to be passed to me to consider.

## 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 agree with the investigator's findings for broadly the same reasons, I will explain why.

In broad terms, the starting position in law is that a bank is expected to process payments that their customer authorises them to make. It isn't disputed that Mr A knowingly made the payments from his account and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Santander is expected to process Mr A's requests, and he is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Santander to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

The question then arises whether Santander ought reasonably to have held such suspicions or concerns in relation to Mr A's payments - and if so, what might've been expected from a proportionate intervention at that time. Further to that, where there is an interaction between a customer and a bank, I'd expect the bank to take reasonable steps to understand the circumstances of that payment.

So, taking all of this into account, I need to decide if Santander acted fairly and reasonably in its dealings with Mr A when he made the payments. Specifically, whether it should've done more than it did before processing them - and if it had, would that have made a difference. I also need to decide if Santander could've reasonably recovered the lost funds.

The first payment Mr A made was on 22 September 2022 for £2,200. Having considered Mr A previous expenditure on the account although Mr A typically used his Santander account for low value day to day transactions, he'd made payments of a similar or greater value in the prior 12-months. Because of this, I don't think this payment would've been seen by Santander as being unusual or out of character for Mr A. In regard to payment three, which was made on 7 August 2023 for £2,176.90, again, for the same reasons, I am satisfied Santander's fraud detection systems wouldn't have identified this payment as suspicious or uncharacteristic. When considering this, I've kept in mind that banks process high volumes of transactions each day. And that there is a balance for Santander to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate - as it wouldn't be practical for banks to carry out additional checks before processing every payment.

Payment two was made on 1 November 2022 for £6,000. This was clearly a significant increase to Mr A's usual expenditure, as such, given the value of the payment and Mr A's usual account activity, I am satisfied this transaction ought to have triggered Santander's fraud detection systems. And I have been provided evidence from Santander to show it did in fact intervene. Santander asked Mr A why he was making the transaction and Mr A confirmed it was a transaction to his own account, based on that, Santander issued a generic fraud warning.

So, I have gone on to consider if this intervention was proportionate. At the time the payment was made, considering the payment value and where the payment was going (given it was an established payee of an account in Mr A's own name), I am satisfied the intervention was inline with what our service would have expected. However, the warning which was presented (due to Mr A's selecting 'transferring to own account') wouldn't have resonated with Mr A. It said:

*"Criminals often attempt to intercept emails and send you false bank account details. These emails often look genuine. Please take a minute to double check the payment details by phone or in person- this could save your money from being stolen."*

From Mr A's perspective he was liaising with government officials, he had completed checks and was satisfied it was legitimate, therefore, this warning (despite it being proportionate) wouldn't have prevented Mr A's losses. And so, I can't hold Santander responsible for this.

On 18 January 2024 Mr A sent £5,950. Whilst I accept that Mr A had sent previous payments to the same account of higher values, he hadn't done so in the six months prior to the scam. Given the value of the payment, time it was made, and usual account expenditure, I am satisfied this payment ought to have triggered Santander's fraud detection systems.

In this instance, Santander hasn't provided any evidence to show it did intervene on the transaction. So, I have gone on to consider what I deem to have been a proportionate intervention at the time given these specific circumstances.

The FCA's Consumer Duty, which was in force at the time these payments were made, requires firms to act to deliver good outcomes for consumers including acting to avoid foreseeable harm. In practice this includes maintaining adequate systems to detect and prevent scams and to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers. As such, firms, have developed warnings to recognise both the importance of identifying the specific scam risk in a payment journey and of ensuring that consumers interact with the warning.

In light of the above, by January 2024, when this payment took place, Santander should have had systems in place to identify, as far as possible, the actual scam that might be taking place for example by asking a series of automated questions designed to narrow down the type of scam risk associated with the payment he was making and to have provided a scam warning tailored to the likely scam Mr A was at risk from. I accept that any such system relies on the accuracy of any information provided by the customer and cannot reasonably cover off every circumstance.

However, even if Santander had asked a series of automated questions, as I have highlighted above (which I deem to have been a proportionate intervention at that time), I am satisfied it wouldn't have prevented the loss from occurring. I say this because, I am aware that a third-party firm, who Mr A has an account with, which I will refer to as R, did intervene in the way I have highlighted above. Mr A was asked a series of questions surrounding the payments, and Mr A provided reassuring answers to the questions asked. This is due to the confidence he has in the legitimacy of the payees and his need to ensure his father and sisters had a comfortable lifestyle given some of the challenging circumstances they faced. In support of this Mr A did express concerns and some what annoyance for R intervening on the payments and indicated if R stopped him making the payments he would proceed with another firm.

Due to the nature of the scam, confidence Mr A had in the legitimacy of the payees, documentation he had been provided with and emotional investment he had, to ensure the payments were made, I am satisfied, that even if Santander had intervened in a similar way to R, (which I deem to be proportionate), it wouldn't have unveiled the scam as I am satisfied Mr A would have answered the questions from Santander in a similar way as he did to R. As such, I am satisfied the answers Mr A provided would have given Santander the assurances to process the payments.

#### *Recovery*

I've also looked at whether Santander took the steps it should have once Mr A contacted it to dispute the payments. It's important to note that Mr A didn't ask Santander to send the money directly to the scammer but instead to an account in his own name with R. Santander did as Mr A requested. So, it was always highly unlikely that Santander would be able to

facilitate the recovery of the payment after they were moved on from Mr A's account with R to the scammers. So, it follows that I won't be asking Santander to do anything further. In summary, I know that Mr A will be disappointed with this outcome. Not least because the matter has been ongoing for some time. I fully acknowledge that there's a considerable amount of money involved here. Despite my natural sympathy for the situation in which Mr A finds himself in, for the reasons given, it wouldn't be fair of me to hold Santander responsible for his loss.

### **My final decision**

My final decision is that I don't uphold this complaint,

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 January 2026.

Jade Rowe  
**Ombudsman**