

The complaint

Mr E complains that Santander UK Plc didn't do enough to protect him when he fell victim to a scam.

Mr E is represented in this matter, but for ease of reading I will refer to Mr E throughout this decision.

What happened

Mr E says he completed an enquiry form for a cryptocurrency investment opportunity in late 2019 and was then contacted by the scammer. It appears Mr E was promised large returns and encouraged to invest more. Mr E says his 'investment' grew to £65,000 and he wanted to withdraw his profits. Mr E says he was then told he would need '*...to do £1 million in trading before he could withdraw*'. Mr E says after the Covid-19 lockdown the scammers disappeared and he could not log into his account or contact the scammers.

Mr E made seven payments in connection with this scam.

	date	amount	method	payee
1	18.12.19	£771.38	debit card	cryptchain.io
2	21.12.19	£1,582.07	debit card	cryptchain.io
3	06.01.20	£1,574.31	debit card	cryptchain.io
4	22.01.20	£3,567.35	debit card	cryptchain.io
5	13.02.20	£3,187.46	debit card	cryptchain.io
6	11.03.20	£3,154.50	debit card	cryptchain.io
7	02.04.20	£2,014.54	debit card	cryptchain.io

Unfortunately, Mr E has not been able to provide this service with anything to show how the scam developed for example, communications he had with the scammers, details of the scam, or evidence of the investments made.

An investigator looked into the complaint and didn't uphold it. They said they didn't think the payments Mr E had made had been sufficiently out-of-line with the way he had previously operated his account to have caused Santander to intervene. Likewise, they said the payments had not increased in frequency which is often the hallmark of a scam.

They also noted they had not been provided with anything to show that Mr E had been the victim of a scam, for example details of the scam, cryptocurrency statements or evidence he

had lost money.

Mr E did not accept our investigator's view. In summary he said he felt the payments were out-of-line with the way he had previously used his account and Santander should have taken into account that the payee was clearly linked to cryptocurrency and this should have led Santander to have been concerned.

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 reached the same overall conclusions as the investigator, and for broadly the same reasons. I haven't necessarily commented on every point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time. There's no dispute that Mr E authorised these payments. In broad terms, the starting position at law is that a bank is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, 'authorised' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment. Santander also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Santander acted fairly and reasonably in its dealings with Mr E.

It is not in dispute that Mr E made payments to a cryptocurrency exchange platform, that subsequently turned out to be a scam. But I do think it's reasonable for Mr E to provide some evidence to support his version of events about the circumstances of the scam, how it developed, evidence of the 'investments' he made and of the contact he had with the scammers.

That said, I have considered whether Santander should have intervened when Mr E made the payments.

The payments

I must take into account that many similar payment instructions Santander receives will be entirely legitimate. I also need to consider its responsibility to make payments promptly. Having considered what Santander knew about the payments at the time, I'm not persuaded it ought to have identified Mr E might have been at risk of harm from fraud. The payments were spread out over a period of around five months. Further, the frequency of the payments

did not increase - which is often the hallmark of a scam - and the value of each individual payment was relatively low, with the highest being £3,574.31 and after this payment the payments decreased in value and frequency.

On balance, I don't think the pattern of payments was consistent with many types of known scam that had begun to emerge and I can't reasonably say Santander was at fault for processing the payments in line with Mr E's instructions.

I am mindful that Santander has provided records to show that Mr E contacted it when a payment he wanted to make in February 2020 had not been processed. I accept that this call was initiated by Mr E. In the call Mr E explained that he wanted to make the payment as he was investing in cryptocurrency. Mr E says Santander should have noted that the payments he was making were to a cryptocurrency provider, but it appears this was not in dispute.

He also says his call should have prompted a 'meaningful intervention' by Santander. I appreciate Mr E's position, but having listened to the call recording, I am mindful that during the call Mr E refers to an earlier conversation with Santander about previous payments to the same payee that had not been processed by Santander. He also emphasised in the call that the payment was to '*a trading account I deal with*' and that he had made previous payments to this payee. In view of this and that it appears Santander had previously intervened (although I note no records of this intervention have been provided) I can't reasonably find that Santander should have done more.

I note Mr E has told this service he has a brain injury that impairs his ability to assess risk. I am very sorry to hear about the impact his injury has on him, but I have not seen anything to show or suggest that Santander was aware of this impairment at the time Mr E fell victim to this scam. I therefore cannot reasonably say that it should have taken this into account when processing the payments made in connection with this scam.

I want to be clear that it's not my intention to suggest Mr E is to blame for what happened. It appears he fell victim to a cryptocurrency trading scam. But my role is to consider the actions of Santander and, having done so, I'm not persuaded these were the cause of his losses.

Recovery of funds

I've also looked at whether Santander could or should have done more to try and recover Mr E's losses once it was aware that the payments were the result of fraud. It's a common feature of this type of scam that the fraudster will move money very quickly to other accounts once received to frustrate any attempted recovery.

Mr E didn't report the scam until several years after the payments were made and I don't think anything that Santander could have done differently would likely have led to his money being recovered successfully in these circumstances. Nonetheless, as the payments were card payments, I've considered whether Santander should have tried to recover the money through the chargeback scheme.

This is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law. A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the recipient of the payment can defend a chargeback if it doesn't agree with the request.

I'd only expect Santander to have raised a chargeback claim if it was likely to be successful and it doesn't appear that would have been the case here. By the time the fraud was reported, the time limit for making a chargeback claim for the payments had expired and the

card providers' rules don't generally cover payments to investments (including scam investments) in any event.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 5 March 2026.

Suzannah Stuart
Ombudsman