

The complaint

Mrs K, via a representative, has complained that Santander UK Plc (“Santander”) failed to refund the money she lost as part of an investment scam.

What happened

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Mrs K met a scammer on social media. I will call the scammer C. Over time, Mrs K and the scammer formed a close relationship. The scammer then persuaded Mrs K to invest in a fake crypto trading firm, which I will call D.

Mrs K made over 15 debit card payments from her Santander account totalling over £90,000 to a crypto exchange. The funds were then converted into crypto, and were then sent on to D.

Mrs K realised that she had been scammed when C stopped all contact.

One of our investigators looked into this matter and they thought that any intervention from Santander would not have stopped the scam. They said this because, Mrs K did not give accurate answers to Santander when questioned about the payments later on in the scam and also due to the closeness of the relationship between her and C. He therefore did not uphold this complaint.

Mrs K did not agree with this and therefore her complaint has been passed to me to issue a 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 agree with the conclusions reached by the investigator for the following reasons.

In deciding what’s fair and reasonable, I am required to take into account relevant law and regulations, regulators’ rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is more likely to have (or would have) happened, in light of the available evidence and the wider circumstances.

In broad terms, the starting position is that Santander is expected to process payments and withdrawals that a customer authorises it to make. This should be in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

However, taking into account relevant law, regulatory rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Santander should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- 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 (among 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;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Santander sometimes does); and
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

I think that Santander should have intervened when Mrs K made a payment of £3,104.70 on 6 January 2025 and an appropriate intervention would have been to ask questions about the payment and provide a tailored warning depending on the answers provided by Mrs K. But I don't think that this would have stopped the scam or allowed Santander to provide a warning that would have resonated with Mrs K.

I say this because Santander intervened a few times during the scam, but importantly, on 21 February, it had a conversation with Mrs K. In this conversation Mrs K provided misleading answers as to what the payments related to. Some examples of this are that she told it that there was no third-party involved and she had not come across the investment via social media.

This is despite there being a third-party involved who was asking and encouraging her to make payments and her finding the investment through a person she had met on social media.

As Santander was only required to take proportionate steps to try and protect Mrs K from financial harm. I'm not persuaded she would've shared anything concerning with Santander, had it questioned her about what she was doing. So overall, I think that Santander should have intervened more than it did. But I do not think that this would have likely stopped or uncovered the scam, due to the closeness of the relationship between Mrs K and the scammer even early on in the scam - regardless of the type of intervention or warning provided.

I've also thought about whether Santander could have done more to recover the funds after Mrs K reported the fraud.

I don't think that the payments should be refunded under the APP reimbursement scheme as the payments were made to an account in Mrs K's own name and due to the fact that the payments were debit and credit card payments.

In relation to the debit card payments, I don't think that a chargeback would have been successful. I say this because the payments were essentially a means to send funds from her account to a crypto exchange, and this is what happened. It was only when the crypto was sent on to the scammer, did the loss occur. So, I don't think that there would be any grounds to challenge the payments.

In relation to the credit card payments, I have considered whether section 75 applies. But in this instance, given that the payments were made to a crypto platform rather than to the scammer directly, I am satisfied that it does not apply.

I appreciate this will likely come as a disappointment to Mrs K, and I'm sorry to hear she has been the victim of a cruel scam. However, whilst I have a great deal of sympathy for the situation that Mrs K found herself in, I'm not persuaded that Santander can fairly or reasonably be held liable for her loss in these circumstances.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 18 February 2026.

Charlie Newton
Ombudsman