

The complaint

Mr H complains that Santander UK Plc won't refund a payment he made as a result of a scam.

What happened

- Mr H disputed a card payment he made to a trading broker, that I'll refer to as S, for £3,000.00 in October 2024. Santander declined to refund him, as he made the payment and it couldn't recover it from S. It later agreed to reopen the dispute – but ultimately it reached the same outcome.
- Mr H raised a complaint about what happened. Santander confirmed it wasn't liable to refund Mr H and it apologised for reopening the claim unnecessarily – to reflect this, it paid him £30.00.
- Unhappy with the response, Mr H brought his concerns to our service. Our investigator considered Santander should've warned him about the payment, but they didn't think it would've changed his mind about going ahead – so they didn't ask Santander to refund his losses.
- Mr H disagreed, so the complaint was passed to me to decide. I issued my provisional findings which explained why I didn't think Santander failed to prevent or recover his losses – so I didn't ask it to put things right.
- Santander replied to say it had nothing further to add. Mr H understood my findings, but he argued that the dispute wasn't handled correctly under the APP rules that were introduced in October 2024.

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.

I've considered Mr H's responses to my decision, and I can understand his queries about the new rules that he's correctly pointed out were introduced before this payment happened. But I'm satisfied these aren't relevant here.

That's because they apply to authorised push payment (APP) fraud. This is a specific type of authorised scam where the payer completes the necessary steps to consent and ultimately authorise a transfer of money using a Faster Payment or a CHAPs payment, in accordance with the Payment Services Regulations (PSRs).

That's distinct from the authorised scam Mr H was a victim of, which involved a card payment. These don't fall under APP fraud because they are *pull* payments – they are *pulled* from the payer's account by the card issuer or merchant rather than being *pushed* by the payer.

It follows that I've not changed my mind about what's a fair outcome to this complaint. For completeness, I've included my provisional reasoning again below:

- It's not been disputed that Mr H was the victim of a cruel scam. My role is to consider whether it's fair to hold Santander, as his bank, responsible for his losses from it. There are various rules and codes that mean victims of scams ought to be refunded in some circumstances. But to be clear, there isn't an overarching, general expectation that banks ought to refund victims of scams.
- For a card payment like the one in dispute here, the starting position in law is that Mr H is liable for payments he authorised. I appreciate Mr H thinks this is technicality. But as an impartial ombudsman, I can't reasonably set aside the law because it doesn't favour him.
- While the starting position is that Mr H is liable, I've also considered whether Santander ought to have identified that this payment was suspicious and stepped in before it was made.
- Santander, like all banks, must balance protecting Mr H from fraud with its legal duty to make the payments he tells it to. Here, I don't find that the destination of the payment looked particularly alarming. It went to a Forex and CFD trading platform – so it wasn't cryptocurrency-related which tends to carry a higher risk of fraud. And Mr H had paid this type of platform before. I recognise it may not have been to the extent that he'd be called an experienced trader. But it remains evidence of him legitimately paying this type of merchant.
- I've also noted this was a single payment for £3,000.00. While it must have been a lot for him to lose, I'm mindful of the volume of payments of this size that a bank like Santander processes and the impracticalities of stopping every payment like it.
- Taking this all into account, I don't think it was unreasonable Santander processed this payment in line with his instructions without completing further checks.
- In saying this, I've considered Mr H's activity with his savings account beforehand. But I don't think moving money from a savings account to make a payment (even with the back and forth) ought to have stood out as particularly suspicious. After all, it's reasonably common for people to withdraw savings and then spend them. And I note this didn't entirely drain his account.
- I've also reflected on Mr H's arguments that Santander has intervened on smaller payments before. I can't comment on what triggered Santander's algorithm to cause it to step in before – it's sensitive information. But, in any event, I don't think this is reason, in itself, for saying it ought to have found the circumstances of this particular payment suspicious.
- Finally, I've carefully thought about what Mr H has shared about his disability. But I've not seen persuasive evidence that Santander knew about this when he made the payment – to be clear, I wouldn't have reasonably expected it to know based on related payments he received to his account. So this doesn't change my mind that it acted unfairly with how it processed this payment.
- I realise I've reached a different outcome on this point to our investigator – and I accept that will be frustrating news. But it's my role to reach my own decision on

what's fair. And here, I don't think Santander can be reasonably blamed for failing to step in and prevent Mr H's losses.

- I've gone to consider whether Santander ought to have done more to recover the payment when he reported the scam. Mr H's card-issuer runs a voluntary chargeback scheme that can refund him in defined circumstances. But these are very limited for payments relating to an investment – and I've not seen evidence that it's likely Mr H's claim would have been successful here. It follows that I don't think Santander could've reasonably done more.
- Lastly, I've considered how Santander handled Mr H's claim. I'm satisfied the compensation paid was a fair reflection of the impact caused by unnecessarily reopening the matter. And overall, I don't find a further compensation award is required here. That's bearing in mind that I think the driving force of Mr H's upset and frustration stemmed from the scam itself (which I can't fairly blame Santander for), and the outcome Santander reached in declining his claim (which I don't think was unreasonable).
- I realise Mr H feels very strongly about this matter, and that's understandable given what's happened to him. To be clear, this isn't to blame him for the cruel scam he was a victim of. Rather, it's that I'm not persuaded I can fairly ask Santander, as his bank, to put things right.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 20 February 2026.

Emma Szkolar
Ombudsman