

## **The complaint**

Mrs T complains that Santander UK Plc (Santander) declined to reimburse £4000 that she lost as the victim of a scam in February 2025. Mrs T also complains about the level of service she received from Santander after she reported the scam.

I was sorry to hear of Mrs T's experience and that she has needed to contact us under these circumstances. I was also sorry to hear that Mr T has recently passed away and I would like to offer my condolences to Mrs T.

## **What happened**

On 18 February 2025 Mrs T received a call from someone who told her they were the police. This was in fact the scammer.

The scammer told Mrs T they had arrested someone who had been using a clone of her card to withdraw money. Mrs T asked the caller to verify their identity and was told to call 999. Mrs T did this and was put back through to the scammer.

The scammer called Mrs T again on 19 February and explained they had found copies of her bank statements and driving licence and they were investigating a fraud involving forged bank notes connected to bank branches in Worcestershire. They said they needed help to identify who in the branches were using the forged notes.

The scammer also explained that money had been taken from Mrs T's Santander account. They said Mrs T should check. When she called to speak to Santander the call handler confirmed the money had been taken from the account.

Mrs T called the scammer back and they asked her to help catch the people responsible by withdrawing money in sterling and euros from shops and banks, so they could examine the notes. The scammer said they would top up the account to £27,000. Mrs T checked and this amount was in the account.

Mrs T went into a Santander branch and transferred a total of £10,000 to two of her other accounts with different banking providers, L and N, as well as withdrawing £4000 in cash. She also withdrew £5000 in euros from a high street foreign currency exchange on the same day.

Mrs T called to speak to the scammer and confirmed the serial numbers on the notes, which they said were forged. The scammer told Mrs T to put the notes into an envelope. Someone related to the scam later came to her house to collect the bank notes from Mrs T.

The scammer called Mrs T again on 20 February and asked her to withdraw a further £3000, which she did from her Santander account. Mrs T only realised she was the victim of a scam after her son visited her house on 20 February and was suspicious of what Mrs T explained to him about the call from the police. They checked with a police friend who confirmed this was a scam. Though Mrs T remained convinced that she was helping the police, her grandson contacted the police to report the scam and Mrs T then contacted Santander the same day. Santander have told us they can't locate a record of her call that day.

Mrs T called Santander again on 22 February 2025 to provide the crime reference number she'd got from the police. Santander recorded the crime reference number and, after Mrs T

confirmed she'd previously reported the fraud, confirmed that an investigator may need to contact her if they needed any further information.

Santander responded to Mrs T's claim on 12 March and explained that she wouldn't get her money back, as the transaction was a cash withdrawal and so is not eligible for reimbursement under the Payment Systems Regulator rules.

Mrs T called Santander on 12 March 2025 to complain about its decision not to reimburse her. Santander replied on 20 March 2025 and explained they would not overturn their decision not to reimburse her, as the money she lost was paid in cash and so was not eligible for reimbursement.

Santander also acknowledged that they hadn't raised a claim on 22 February 2025, as Mrs T had requested. As such they apologised and arranged to pay Mrs T £50 for the delay.

Mrs T was unhappy with Santander's response to her complaint and complained to our service.

Our investigator considered information provided by Mrs T and Santander and came to the view that Santander had not acted fairly, as they felt that Santander should have taken Mrs T to a private room and asked more probing questions about the purpose of the transactions. They felt this would have uncovered the scam and Mrs T would have avoided her loss.

Santander disagreed with the investigator's view. They say that their branch staff did question Mrs T about all of her transactions in line with their policy and so didn't feel there was any more they reasonably could have done. Santander asked for an Ombudsman to consider the complaint.

As such this case came to me to make a final decision.

Having considered all of the available information provided to me, I provisionally reached a different decision to our investigator. I was of the provisional view that, whilst it is possible that Santander didn't go far enough with their questioning of Mrs T in branch, the outcome is unlikely to have been different, even if Santander had undertaken more robust questioning.

Mrs T's representative provided comments in response to my provisional decision. They disagreed and explained that the terms and conditions of Mrs T's account limit counter withdrawals to £2000. As such, they say that Santander were in breach of their terms and conditions by allowing Mrs T to withdraw more than the maximum amount and that her loss would have been reduced had they acted appropriately. They also say Santander failed to act in line with the Banking Protocol by not questioning Mrs T further than they did.

### **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 also considered the comments provided by Mrs T's representative in response to my provisional decision, which I'll cover below.

I've decided not to uphold Mrs T's complaint.

I understand falling victim to a scam or fraud of any kind is a distressing experience and I have taken into consideration Mrs T's explanations and evidence around what happened and the significant negative impact these events had on her and her husband.

I appreciate that Mrs T is elderly and was also caring for her husband at the time of these events, which has made both the experience and needing to pursue her complaint with Santander even more distressing. I am sorry Mrs T needed to contact us in these circumstances.

In broad terms, the starting position at law is that a bank such as Santander is expected to process payments and withdrawals that a customer authorises it to make in accordance with the terms and conditions of the customer's account.

Santander has correctly pointed out that the fraud reimbursement rules introduced by the Payment Systems Regulator don't cover cash withdrawals. Instead, they only apply to bank transfers. As a result, it doesn't need to pay Mrs T a refund under those rules.

However, that isn't the end of the story.

Taking into account relevant law, regulators' 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. 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;

I have reviewed all the evidence presented to me for this case and have seen both parties agree that Mrs T authorised these withdrawals.

Having considered how Mrs T used the account before the scam, including the amounts and frequency of the cash withdrawals and faster payments she made, I consider the withdrawals she made in branch on 19 February 2025 were out of character and should have raised concerns with Santander that she might be at risk of falling victim to a scam.

As Mrs T made these withdrawals in branch, a human intervention was the most appropriate action for Santander to take and it told us that staff at the branch recorded they had a scam conversation with Mrs T when she made the two transfers of £5000 each and withdrew £4000 in cash.

Although there is no record of what was discussed with Mrs T in relation to the £4000 cash withdrawal, Santander has provided the script their staff follow for the type of transaction Mrs T told them she was making, which was 'paying for a service/ invoice'. They say they followed the correct procedure and don't consider they could have done more.

Mrs T accepts she gave the member of staff misleading information about the reason for the payment, as she was advised to do by the scammer.

Given both accounts of events, it appears Santander did initiate a conversation with Mrs T about the reason for both transfers and the cash withdrawal, however we have no record of the degree to which Santander staff questioned her. As such, I can't conclude that they provided a sufficiently robust intervention to alert Mrs T to the potential that she might be at risk of harm and it's possible that their questioning didn't go far enough.

In response to my provisional decision, Mrs T's representative said that Santander shouldn't have allowed Mrs T to withdraw more than £2000 cash over the counter, as that is the maximum allowed under Santander's terms and conditions.

I have reviewed Santander's General Terms and Conditions and have seen that section 6.5.1 does set out a £2000 daily limit for cash withdrawals at the branch counter. It also says that there may be an exception to that condition and advises customers to ask in branch for more details.

It is our understanding that this term is not included as a consumer protection measure, but to help branches manage the availability of cash in branch. The terms and conditions also give Santander the discretion to allow customers to withdraw more than £2000 cash per day and so I don't consider Santander acted outside of its terms and conditions by allowing Mrs T to withdraw £4000.

Mrs T's representative has also told us that Santander should have taken stronger action to prevent Mrs T falling victim to this scam and they have referenced several other decisions reached by our service that they feel show banks taking different action in similar circumstances, pointing out one case in particular they feel is very similar to Mrs T's experience.

I have considered the comments related to the Banking Protocol and have also reviewed the case details Mrs T's representative referred to.

In my provisional decision I acknowledged that it was out of character for Mrs T to withdraw £4000 cash and explained that its possible Santander's questioning didn't go far enough. I consider that addresses the comments that Santander could have undertaken further questioning.

As such I have considered whether further questioning by Santander is likely to have led to a different outcome.

Considering the account of events Mrs T has provided to us, I understand that when her son visited her at home on 20 February 2025, he raised his suspicions and contacted a friend who is a police officer. They confirmed that this was a scam, advised them to call the police and said he would visit Mrs T and her son to help further.

In Mrs T's statement of events, she says that she remained convinced the scammer was a legitimate police officer and that she insisted not to contact the police at that point. It was only when Mrs T's grandson visited later that he called the police himself.

It is apparent that Mrs T fell victim to a sophisticated scam and that the scammer convinced her she had fallen victim to fraud. It's clear that she genuinely believed she was helping the police to uncover crimes involving bank staff at branches in her local area.

Given the extent to which Mrs T was convinced by the scammer's story of bank staff being involved in forging bank notes and how reluctant she was to accept that she'd been targeted by a scammer, I consider it most likely that Mrs T would not have shared the true story behind her transactions, even if Santander had questioned her further in branch.

As such, I consider that Mrs T would have gone ahead with the cash withdrawal of £4000 and therefore suffered the same loss, even if Santander staff had undertaken more robust questioning.

Given Mrs T paid cash to the scammer I would not expect Santander to have been able to recover her funds.

In relation to the service Mrs T received after notifying Santander of her claim for reimbursement, Santander accept they failed to register Mrs T's claim when she notified them on 22 February 2025, which caused a delay to their consideration. Mrs T phoned Santander on 12 March 2025, as she had heard nothing further and was advised that a claim had not been raised and so Santander logged the claim then. Santander apologised to

Mrs T for its error and arranged for a payment of £50 to be made to her for the delay this caused to its investigation.

I understand the distress and inconvenience Santander's error caused Mrs T, in what was an already stressful situation. This caused a delay to her receiving an outcome to her claim and meant she had to contact Santander to chase them up.

I consider Santander's actions in response to its error were reasonable, as it registered and actioned Mrs T's claim immediately after it was notified, acknowledged what it had got wrong, apologised and made a payment to Mrs T for the delay. I haven't seen any evidence to indicate that a higher amount would be appropriate in the circumstances.

Given everything I have considered above, I propose not to uphold Mrs T's complaint.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 13 March 2026.

Matthew Warrington  
**Ombudsman**