

The complaint

Miss L complains that Santander UK Bank Plc won't refund her money she says she has lost in a romance and investment scam.

Miss L is being represented by a professional representative but for ease of reading I've just referred to Miss L.

What happened

The circumstances surrounding this complaint are well known to both parties, so I haven't repeated them in detail here. Instead, I've set out a summary of what I consider to be the main points.

Miss L says she was targeted on a dating application by a scammer who built up her trust and used this to convince her to transfer money to an investment platform. The scammer was in frequent contact with Miss L and seemed very knowledgeable and professional. She was using a professional-looking investment platform, and everything appeared to be genuine. She was introduced to a group chat with other investors, which she says further made it appear legitimate.

The scammer told her the investment involved cryptocurrency and she needed to transfer cryptocurrency to the investment platform. So Miss L made payments to a cryptocurrency account she had recently set up and sent cryptocurrency to the scammer from there.

Shortly after she made the final transfer, Miss L says the platform shut down and she couldn't access her investment. It was at this point she realised she had been scammed.

She reported the scam to Santander and Action Fraud, on 11 October 2021, but she says she wasn't able to recover her money.

Miss L says she made the following payments as part of this scam.

| Payment | Date | Amount | Payment type | Destination |
|---------|------------|---------|----------------|----------------------------|
| 1 | 04/10/2021 | £100 | Faster Payment | Own cryptocurrency account |
| 2 | 05/10/2021 | £200 | Faster Payment | Own cryptocurrency account |
| 3 | 06/10/2021 | £200 | Faster Payment | Own cryptocurrency account |
| 4 | 06/10/2021 | £400 | Faster Payment | Own cryptocurrency account |
| 5 | 07/10/2021 | £400 | Faster Payment | Own cryptocurrency account |
| 6 | 10/10/2021 | £500 | Faster Payment | Own cryptocurrency account |
| 7 | 10/10/2021 | £6,000 | Faster Payment | Own cryptocurrency account |
| 8 | 10/10/2021 | £2,000 | Faster Payment | Own cryptocurrency account |
| 9 | 10/10/2021 | £11,000 | Faster Payment | Returned |
| 10 | 10/10/2021 | £5,000 | Faster Payment | Declined |

Miss L complained to Santander in 2025. She says she considers Santander is responsible for her loss because it didn't provide any effective warnings or interventions. She says if Santander had provided her with warnings about this type of scam, she would have listened

and wouldn't have made the payments to the scammer.

Miss L has told us she was vulnerable at the time of the scam due to a relationship break-up and this scam has had a significant financial and emotional impact on her. She says her vulnerability affected her decision-making.

Santander says Miss L authorised payments to her own cryptocurrency account and so the payments wouldn't be covered under the Contingent Reimbursement Model (CRM) Code. It provided a warning for the first payment Miss L made to her cryptocurrency account, which took place on 22 September 2021. It says its standard processes were adhered to at all times and it doesn't think it is responsible for Miss L's loss as the loss didn't occur from her Santander account. Santander adds that it wasn't made aware of any vulnerabilities until Miss L complained in 2025.

Our investigator thought Santander should have intervened on 10 October 2021 when Miss L made a payment of £6,000. He thought this was a significant amount, identifiably being sent to a cryptocurrency exchange and that this combination of risk factors should have led Santander to intervene. He didn't consider the general warning Santander had sent Miss L when she set up her cryptocurrency account, as a new payee, was sufficient. He thought Santander should have made a human intervention by a member of staff, asking Miss L about the payment purpose and asking probing questions. He thought such an intervention would have worked because Miss L appears to have had some doubts about the investment on 10 October 2021. There was no indication that Miss L had been coached by the scammer in how to respond to questions from Santander. Miss L's answers to the sort of questions Santander should have asked are likely to have caused Santander concern that she might be at risk of falling victim to a scam and led it to uncover the scam. He thought Miss L should share equal responsibility for her loss because he thought there were a number of warning signs that she had missed and she failed to protect herself from this scam, for example he thought the returns being promised were too good to be true and should have raised some doubt with Miss L.

Miss L accepted the investigator's assessment, but Santander did not. Santander said Miss L should be pursuing the cryptocurrency exchange, not Santander. It said it made the payments in accordance with Miss L's instructions and it had no reason to suspect this was a scam. It says it was not for Santander to interrogate Miss L about the onward journey of her money and her funds did not leave her control until she sent them to the scammer from her cryptocurrency account. Santander says Miss L did very little research into the investment company, she didn't check the FCA website and she hadn't met her adviser. It thought she was solely responsible for her loss.

I provided both parties with my provisional decision on 7 January 2026. I said:

"In broad terms, the starting position in law is that a bank is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. Miss L authorised the payments in question and Santander made the payments in accordance with Miss L's instructions.

While that's the starting position, I've also taken into account the regulator's rules and guidance, relevant codes of practice, along with what I consider to have been good industry practice at the time. The Contingent Reimbursement Model (CRM) Code doesn't apply in this case because Miss L was making payments to another account that she controlled. But having considered everything, I think Santander ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Santander has a difficult balance to strike in how it configures its systems to detect unusual activity that might be indicative of a higher risk of fraud. It would not be possible or reasonable to expect Santander to check every transaction. I would expect intervention to be proportionate to the particular circumstances of the payment.

The first payment Miss L made to her cryptocurrency account was for £1 on 22 September 2021 and I understand it does not form part of this scam. Santander says this payment triggered its fraud detections system and it has provided evidence it asked Miss L about the payment purpose and provided a warning to her. This was an initial payment to a new cryptocurrency payee and I wouldn't have expected Santander to have gone further than that at that point, given that it was such a small payment. While Santander declined payment 10, none of the intervening transactions triggered Santander's detection systems, so I need to decide whether they ought reasonably to have caused Santander concern and prompted further checks. And if so, whether further checks would have likely prevented Miss L's loss.

I'm not persuaded there is sufficient evidence for me to safely conclude that payments 2-5 were made as part of this scam. I say this because the messages Miss L has, between her and the scammer, indicate that the idea of investing was first introduced by the scammer at 19:59 on 9 October 2021 and there is some reference to her having recently started to invest in cryptocurrency, before the scammer suggested investing. But in any event, I don't consider these payments were sufficiently concerning that Santander ought to have intervened to make additional checks due to their low value.

That leaves three payments made on 10 October 2021. I'm not persuaded the £500 payment was sufficiently unusual that it ought reasonably to have caused Santander concern, as, once again, it was a relatively small payment. The payment for £6,000 is a different matter. Miss L did make some large payments from her Santander account from time to time, sometimes on the same day and for larger amounts than this, but I consider this series of transactions now looked quite different. By October 2021, Santander would have been aware of scams involving transfers to scammers through a customer's own cryptocurrency account. It would have been aware of patterns of fraudulent activity that involved a series of payments to cryptocurrency accounts, that increased in frequency and escalated in value. In Miss L's case, the £6,000 payment was part of a series of payments that had been taking place over a period of about three weeks, to an account with a cryptocurrency exchange, that were generally increasing in size and frequency. Overall, I think the size of this single payment and the pattern of activity leading up to it, ought to have caused Santander sufficient concern that it should have made some additional checks before allowing the payment.

Once flagged for further checks, I think the pattern of transactions should have led Santander to ask some probing questions to understand why Miss L was sending increasing amounts of money to a cryptocurrency exchange. Proportionate questioning would have likely revealed the scam, in my view. I consider basic questions, about how Miss L had heard about the investment and whether anyone was helping her or advising her would have led to further concerns. I have seen no persuasive evidence to indicate that Miss L wouldn't have answered any such questions honestly and openly, that she was being advised by someone she had recently met on social media, for example and who was promising high investment returns. I haven't seen any evidence to show she was coached by the scammer to mislead Santander and there is some evidence in the messages with the scammer that she was reluctant to invest more than she was comfortable with, despite suggestions from the scammer. I consider Santander would have warned her these were common features of investment scams – meeting someone online, being persuaded to invest, being promised high returns and put under pressure to invest more and more, and I have little reason to think Miss L wouldn't have been receptive to such warnings.

While Santander says the loss didn't occur from Miss L's Santander account I'm satisfied there was more Santander could and should have done here and if it had, it's likely it would have prevented Miss L's further losses. On that basis, I do consider it's reasonable to hold Santander responsible for some of Miss L's loss.

I've also considered whether Miss L should bear some responsibility for her loss. In doing so, I've considered her comments that she was vulnerable due to the break up of a relationship, but on balance, I do think she should bear some responsibility. I'll explain why.

The general circumstances surrounding this investment were unusual. Miss L was introduced to the idea of investing during a conversation with someone she had recently met online. She says she had met the person (who turned out to be a scammer) on a dating application and had been in communication for around two weeks, but from the messages I've seen, contact seems to have started on 9 October 2021. For example, the scammer opened the conversation by introducing himself and asking what sort of relationship Miss L was looking for, which doesn't seem consistent with a conversation that had begun two weeks earlier. The messages begin at 18:54 and the idea of investing was first mentioned at 19:59 on 9 October 2021, according to the messages I've been provided with. By 21:19 on the same day, Miss L said she was transferring money to the investment. So, it appears Miss L invested about two and half hours after first being introduced to the scammer. I think the speed with which the conversation turned to investment, was a potential warning sign.

The Investigator thought Miss L ought to have carried out more research before investing. It's possible Miss L carried out some research in that time, but it seems unlikely. If Miss L had checked the investment company on the FCA website she might have been concerned that it was not regulated, although she might not have found anything in particular that would have identified the investment company as a scam. I haven't found any negative reviews online that date from the time of this scam. The evidence also shows that the investment platform had a name that closely matched that of a legitimate business, deliberately so, no doubt, to make it harder for victims to identify it as a scam. Ultimately, it's hard to conclude that further research might have given Miss L cause for concern.

However, the investment returns mentioned were clearly unrealistic. Returns of up to 85% after 36 hours of trading were mentioned and while I accept that Miss L wasn't experienced in investment, I think these returns – almost doubling her investment in a day and a half – ought reasonably to have struck Miss L as too good to be true.

While I appreciate that Miss L has been the victim of a scam and I understand the impact this has had on her, I do consider that there were warning signs that Miss L missed and that she, like Santander, had an opportunity to prevent her loss. Because of this, on balance, I think it is appropriate to hold her equally responsible for her loss.

I also need to consider the returns Miss L received. Miss L withdrew three amounts from her cryptocurrency account following the scam and a further small amount was recovered when Santander contacted her cryptocurrency exchange after Miss L reported the scam. From the amounts Miss L sent to her cryptocurrency account, Miss L received back amounts of £589, £529.76, £401 and £0.97, a total of £1,520.73. I consider it's appropriate to take that amount into account when determining fair compensation.

Putting things right

Overall, I consider fair compensation should be as follows:

Miss L's loss, from this scam, appears to be £8,500, since the evidence does not suggest the earlier payments (1-5) formed part of this scam.

Miss L has recovered £1,520.73, around 18% of the amount she lost.

I don't consider Santander is responsible for payment six, which was for £500.

I calculate that a pro-rata refund of payments 7 and 8, taking into account a proportion of the recovered funds, is £6,560.

Since I've found that Santander and Miss L should be equally responsible for this loss, I consider Santander should pay Miss L £3,280. Santander should interest to this amount at the rate of 8% simple per year from 10 October 2021 to the date of settlement."

Miss L responded and said she accepted my provisional decision.

Santander responded and said:

- It cannot predict how a conversation would have gone as the questions would have been proportionate to the situation and the responses it received from Miss L;
- There is a balance to be struck when attempting to detect and deter fraudulent activity. Miss L's account was in credit, the payments were being sent to another of her accounts with a regulated business and there was little reason, if any, to question the payment instructions it had received. It didn't consider the payments were unusual and there was nothing to suggest it was a scam. What Miss L chose to do with her money once it was received in her other account is not a matter Santander can or should be held to account for.

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 acknowledged in my provisional decision that Santander has a difficult balance to strike in how it configures its systems to detect unusual activity that might be indicative of a higher risk of fraud. I also said that I would expect intervention to be proportionate to the particular circumstances of the payment.

While I note Santander says it had little, if any, reason to intervene, I remain of the view that there were features that were sufficiently concerning that I consider it ought reasonably to have intervened in transaction seven.

I acknowledge that the account retained a reasonably large credit balance after transaction seven. I also note Santander says the payment was being made to another of Miss L's accounts, but by October 2021, Santander would have been aware of scams involving transfers to scammers through a customer's own cryptocurrency account. So, it wouldn't necessarily have indicated there was little or no risk here.

Payment seven was significant in size and while Miss L had made large payments in the past, they were infrequent. The payment was also part of a clear pattern of recent, frequent and escalating payments to a cryptocurrency account, which would have been a known pattern for potentially fraudulent transactions at that time. By transaction seven, I consider that pattern had emerged sufficiently that I would reasonably have expected intervention from Santander.

I also acknowledge Santander's point that it can be difficult to determine what might have happened if it had intervened in a transaction. But I remain of the view that once flagged for

further checks, the pattern of transactions should have led Santander to ask some probing questions to understand why Miss L was sending increasing amounts of money to a cryptocurrency exchange.

There is little or no evidence to suggest Miss L wouldn't have been open and honest with Santander if it had asked her probing questions about payment seven. For example, I haven't seen any evidence to show coaching by the scammer or that the scammer asked Miss L to lie or mislead Santander.

While I agree with Santander that I cannot know which questions it might have asked Miss L or how she would have responded, I consider there were some obvious lines of questioning, such as how she heard about the investment and whether anyone was helping her or advising her. Since I have little reason to think Miss L wouldn't have been open and honest, I consider it's reasonable to conclude that her likely answers to those obvious lines of questioning, would have caused Santander further concern. This is because she was being advised by someone she had recently met on social media, who was promising high investment returns, which Santander would have recognised as signs she might be being scammed.

In my view, it's reasonable to conclude that Santander would have likely warned her these were common features of investment scams – meeting someone online, being persuaded to invest, being promised high returns and put under pressure to invest more and more. I have little reason to doubt these warnings would have resonated with Miss L or that she wouldn't have been receptive to such warnings coming from her bank.

While Santander has reiterated that the loss didn't occur from Miss L's Santander account, I'm satisfied there was more Santander could and should have done here and if it had, it's likely it would have prevented Miss L's further losses, for the reasons given above. On that basis, I do consider it's reasonable to hold Santander responsible for some of Miss L's loss.

I explained the reasons why I considered Miss L ought to share responsibility for her loss with Santander. I also explained why I had deducted an amount to take account of money Miss L had been able to recover. Miss L accepted my provisional decision, so I don't intend to set out my reasoning on these two issues again. For the reasons set out in my provisional decision, I remain of the view that Miss L should bear equal responsibility for her loss and that the deductions I proposed in my provisional decision are fair and reasonable.

Putting things right

Santander must pay Miss L £3,280. Santander should interest to this amount at the rate of 8% simple per year from 10 October 2021 to the date of settlement.

My final decision

I uphold Miss L's complaint, and I require Santander UK Bank Plc to pay compensation as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 4 March 2026.

Greg Barham
Ombudsman