

The complaint

Mrs C has complained Santander UK Plc failed to sufficiently intervene causing her to fall victim to an authorised push payment (APP) scam.

Mrs C is represented by a professional representative, but for ease I will just refer to Mrs C throughout.

What happened

The background to this complaint is well known to both parties, so I won't repeat it in detail here. In summary, Mrs C fell victim to an investment scam after she saw an advert on social media with a celebrity endorsement. As it looked so convincing she completed a form giving her contact details and was contacted by the scammer. Following this she began investing and subsequently took loans with other financial institutions in order to fund what she believed to be investments in a legitimate firm. However, she subsequently realised it was a scam after the company closed and she lost all her money.

Santander didn't reimburse Mrs C's lost funds and so she referred her complaint to us. Our Investigator looked into things but didn't recommend the complaint be upheld. They weren't persuaded, on balance, that Santander could have prevented Mrs C from falling victim to the scam as when interventions did occur Mrs C was misled each financial entity. Mrs C disagreed and requested a decision.

As our Investigator couldn't resolve the matter informally, the case has been passed to me for a final 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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Mrs C has been the victim of a scam here; she has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean Mrs C is automatically entitled to recompense by Santander. It would only be fair for me to tell Santander to reimburse Mrs C for her loss (or a proportion of it) if: I thought Santander reasonably ought to have prevented Mrs C making a payment, or Santander hindered the recovery of the lost funds – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Santander treated Mrs C fairly and reasonably in its dealings with her, when she made the payments and when she reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Mrs C's complaint. I know this will come as a disappointment to Mrs C and so I will explain below why I've reached the decision I have.

I have kept in mind that Mrs C made the payments herself and the starting position is that Santander should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. I appreciate that Mrs C did not intend for her money to ultimately go to fraudsters, but she did authorise these payments to take place. However, there are some situations where Santander should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time - Santander should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

So, I've thought about whether the transactions should have highlighted to Santander that Mrs C might be at a heightened risk of financial harm due to fraud or a scam.

Having considered the actions Mrs C took, I've noted that Santander, and the financial entity the funds were transferred to, intervened as part of the payment journey of her funds. However, during each intervention Mrs C chose to mislead both entities and not be forthcoming with what she was doing. By choosing to do so, it prevented Santander the opportunity to prevent the losses occurring.

As Mrs C made her payments Santander intervened with human intervention twice. Having listened to these calls, she gave a believable story personalised to the service she has been receiving from Santander leading her to want to move banks. Amongst other things Mrs C confirmed the following in the intervention calls:

- Other banks offer better banking services.
- She's closing her account because of the stress and problems Santander has caused her.
- She has already set up a new account with a new bank and is slowly transferring her money there.

To add to the legitimacy of what she was doing she also questioned Santander on how she could move over her direct debits. This would have additionally alleviated Santander's concerns as it made her story seem even more realistic.

In response Santander made Mrs C aware:

- Of the importance of being honest with it so it can protect her.
- If the payments are part of a scam she'd unlikely receive her funds back.
- Criminals can be very convincing.
- If someone has suggested she mislead it with the payment purpose it will be a scam.
- Criminals pretend to be individuals or businesses helping move money.

Similarly, the other financial entity also intervened with automated questions which Mrs C answered as follows:

- She understood scammers may ask her to hide the real reason for the payment.
- She was not being assisted through the questionnaire.
- She was purchasing or renting goods or services.
- She was buying goods from an online retailer.
- The goods were averagely priced or more expensive than usual.
- She knew the seller / has met them.
- She has seen the item in person.

However, these answers were not an accurate reflection of what Mrs C was using the funds for. During the subsequent in-app conversation Mrs C informed this entity she: was making the payment for transport services, had no concerns and was aware of everything, she was not being guided, she has no invoice as she works with the recipient in person and had met the seller in person. Mrs C's interactions with this entity too highlights she was not willing to be forthcoming with her true intentions during any intervention.

Consequently, whether Mrs C was being coached or not, I think she clearly believed this investment to be legitimate and would have continued to mislead Santander with her answers as she had during each intervention.

Although Mrs C believes Santander should have probed further, I don't agree. Interventions must not amount to an interrogation and I'm satisfied Santander's questions were appropriate. If Mrs C had been more forthcoming with her answers Santander would likely have recognised she was falling victim to a scam and prevented her incurring further losses. Due to this I'm not persuaded any follow up questions Santander could have asked in any interaction with Mrs C would have uncovered the scam. It's most likely Mrs C would have continued to provide Santander with credible answers that would have reassured it of any concerns it may have had.

Therefore, although I am sorry Mrs C has fallen victim to such a cruel scam, I'm not persuaded Santander could have prevented her losses.

I've noted Mrs C has referenced decisions she believes are close to her circumstances. However, we consider each case on its own individual merits and although she believes the circumstances of other decisions seem to be similar, there are key differences.

The Contingent Reimbursement Model Code

Although Santander has signed up to the Contingent Reimbursement Model Code, the payments Mrs C made from her account aren't covered by the Code because she made the payments from her Santander account to her other account and not to another person. I

cannot fairly and reasonably say that Santander should have to refund payments under the Code when it doesn't apply here.

So, in light of all of the above findings, there's no fair and reasonable basis under which I can ask Santander to reimburse Mrs C's loss.

Recovery

I have gone on to consider if Santander took reasonable steps to try and recover the funds. However, as Mrs C sent the funds to her own account, Santander would only have been able to attempt to recover the funds from there. As this was ultimately her own account had she not sent the funds the scammer they would still be within her control to access as she wished.

So, I do not think Santander could have taken any additional action here to have successfully recovered the funds.

My final decision

My final decision is I do not uphold this complaint against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 12 March 2026.

Lawrence Keath
Ombudsman