

The complaint

Mr M complains that Santander UK Plc won't refund money he lost to an investment scam.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

Mr M has explained that he fell victim to an investment scam in 2025, whereby he came across a firm (which I'll refer to as 'F'), advertised on social media referring to an investment opportunity endorsed by a well-known public figure. As part of this alleged scam, Mr M made payments to an account in his own name, he held at an Electronic Money Institute (EMI), which I will refer to as, 'C,' which the scammers helped him set up using remote access software, that was eventually lost to F. In total, Mr M made numerous payments to F from his Santander account totalling £191,100, between 24 July 2025 and 28 August 2025. Mr M said to fund the scam with F, he used his savings, borrowed money from his wife, liquidated other investments he had, and obtained loans, all under the guidance of the scammer.

Mr M said he realised he'd been scammed when he kept being asked for more funds without being allowed to make any withdrawals. He raised a complaint with Santander, which they didn't uphold, so the matter was referred to our service. Our Investigator didn't uphold the complaint. He said, Santander made several proportionate interventions, and he didn't think any further interventions would've prevented Mr M from sending the funds or uncovering the scam. And, based on the answers he provided Santander, the Investigator didn't think it needed to do anything else.

Mr M didn't agree and said Santander should have done more to protect him from the investment scam he fell victim to.

As no agreement could be reached, Mr M's complaint has been passed to me to decide.

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 sorry Mr M has been the victim of a scam, and I don't underestimate the impact this has had on him. But while I'm sympathetic to his circumstances, I must consider whether Santander is responsible for the loss he has suffered. I know this won't be the outcome Mr M is hoping for, but for similar reasons as our Investigator, I don't think they are. And so, I don't think Santander has acted unfairly by not refunding the payments. I'll explain why.

Before I do, I'm very 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 focused on what I think is the significant part here. If there is something I've not mentioned, it isn't because I've ignored it. I haven't. 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.

In broad terms, in line with the Payment Services Regulations (PSR) 2017, consumers are generally liable for payments they authorise. Santander is expected to process authorised payment instructions without undue delay. As a bank, it also has long-standing obligations to help protect customers from financial harm from fraud and scams. However, there are many payments made by customers each day and it's not realistic or reasonable to expect a bank to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments.

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 made 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.

So, I need to decide if Santander acted fairly and reasonably in their dealings with Mr M when he made the payments. Specifically, whether they should've done more than they did before processing them – and if they had, would that have made a difference.

But for me to find it fair and reasonable that Santander should refund Mr M requires more than a finding that it ought to have intervened or done more, but crucially I'd need to find that but for this failure the subsequent loss would've been avoided.

That latter element concerns causation. A proportionate intervention will not always result in the prevention of a payment. And if I find it more likely than not that such a proportionate intervention by Santander wouldn't have revealed the payments were part of a fraud or scam, then I couldn't fairly hold them liable for not having prevented them from being made.

Santander's interventions

Santander have provided us with multiple phone call interventions that took place when it blocked various payments Mr M attempted throughout the duration of the scam. As a result, Mr M had to call Santander on five separate occasions and answer specific questions about the purpose of the payment he was attempting, before Santander were satisfied the payment was genuine and the account was unblocked and the payment was released. I won't go into detail about what was discussed on every call. However, I've summarised some of the responses Mr M provided:

- He opened the account he is making the payment to last month, as it allows him to pay in any currency when he is travelling.
- He's done all the research himself about the account, and no-one helped him

- open the account or has access to it except him.
- He felt Santander continually blocking his account was excessive and frustrating, as he'd been a customer for 28 years and wasn't happy, as the money was going to his own account.
- He is a landlord and has properties in the UK and abroad, and he wants to move money to this account, which he can use to carry out home improvements in a property he has in Italy, so he is not sure why the payment is getting declined.
- The bank also offers him 8% cash back, which not a lot of other banks offer, so he is trying to utilise this offer by moving funds into that account and using it when him and his wife travel and for home improvements both here and abroad.
- He travels quite a lot, he's been to Norway and he's going to Alaska next month, so the bank allows him to use his money in whatever currency he wants.
- He sent his loan funds to his Santander first and then onto the other bank, as he might get some work done on his property here too. He's got quotes for the work he needs, but he doesn't have enough available cash as he has paid off his mortgage, so he is raising funds via loans to do this work.
- He's not being forced or pressurised to make the payments or being asked to transfer his money.
- He's seen programmes on the TV about scammers, so he doesn't deal with any cold calls, and either he doesn't pick up or he just disconnects.

We now know most of the above information wasn't correct.

During the calls Santander provided Mr M with various scam warnings about scam techniques used to scammers to convince individuals to transfer funds in scams and mentioned various red flags which should have resonated with him. Mr M was still keen for the payments to be authorised, as he was convinced the investment was genuine. He confirmed he understood the risks and decided to go ahead with the payment on each occasion Santander intervened.

Based on the information I've mentioned above, it's clear Mr M didn't provide Santander with accurate answers when asked about the reasons for the payments, and if anyone had asked him to make the payments, or the purpose of the payments. So, even if I thought Santander should have probed further as mentioned by the Investigator, I agree that it wouldn't have made a difference here.

While I'm sympathetic to Mr M's situation, I'm satisfied Santander took reasonable and proportionate steps to protect him from the risk of fraud or a scam. But sadly, Mr M failed to respond positively to the various warnings he was provided. And the failure to disclose the involvement of a third party prevented Santander from knowing the true circumstances of the payments he was making – thereby limiting their ability to uncover the scam.

I've also reviewed the scam conversation between Mr M and F and without repeating them again here, it's clear Mr M was heavily under the influence and following the guidance of the scammer, so I'm not persuaded that Santander would have been able to uncover the scam even if it probed further on the payments he made from Santander, and I don't think it could have prevented his loss.

Mr M has also mentioned being vulnerable to the scam, which he said was evident from his desperation throughout his conversations with the Santander advisors to make sure the payments went through. However, having listened to the calls that took place between Mr M and Santander, I'm not satisfied the information Mr M mentioned to Santander indicated he

was a potential victim of a multi-stage complex scam, or that he was making the payments under pressure from a third party. Mr M mentioned he had properties abroad, which needed renovation works; he travels a lot; and he's obtained loans to carry out the home improvements needed, and as he's paid off his mortgage, so doesn't have enough available funds. Based on the answers Mr M provided, which all sounded plausible, I wouldn't have expected Santander to have done anything further in these circumstances.

Mr M has also referenced other decisions that he believes are close to his circumstances. However, we consider each case on its own individual merits and although he believes the circumstances of other decisions seem to be similar, there are key differences, which I won't discuss here.

I've also considered whether, on being alerted to the scam, if Santander could reasonably have done anything else to recover Mr M's losses. Santander have confirmed they did contact the beneficiary when they were alerted about the scam, however, they were told no funds remained. However, as the funds were sent from his Santander account to an account in his own name and then moved on to F, I don't think there was any reasonable prospect of Santander recovering his funds anyway. And even if any funds remained in the account, they would have been accessible to Mr M. So, I wouldn't have expected Santander to have done anything else.

I have a great deal of sympathy for Mr M and the loss he's suffered. I appreciate he is the innocent victim of a scam, and he has lost a significant sum of money. But it would only be fair for me to direct Santander to refund his loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think Santander have acted fairly and so, I'm not going to tell them to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 May 2026.

Israr Ahmed
Ombudsman