

The complaint and what happened

Mr U complains that Santander UK Plc (“Santander”) won’t reimburse him £1,026 that he lost when he fell victim to a scam.

Our investigator didn’t uphold the complaint. She wasn’t persuaded that Santander ought to have been concerned about the payment. So she didn’t think it acted in error by processing it.

The investigator also didn’t think Santander had done anything wrong in terms of raising a chargeback. The disputed payment was made to a money transfer service, which seemingly carried out the service it was expected to.

Finally, the investigator concluded that the £50 offer made by Santander, for not being clear enough in its communication, was fair in the circumstances.

Mr U disagreed. He said that he reported the matter as soon as he became aware there was an issue. He also said he was explicitly told by Santander that he would receive a refund and that he was reliant on the advice of Santander.

So the 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.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Santander ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I note that Santander contacted Mr U, via automated means, to confirm that it was him making the payment. But this isn’t in dispute – Mr U accepts he authorised the payment.

I’ve reviewed the disputed payment and Mr U’s account. Having considered the value and who it was made to, like the investigator I’m not persuaded Santander ought to have found the payment suspicious, such that ought to have made *further* enquiries of Mr U before processing it. I don’t consider a payment of this value, particularly when considered alongside Mr U’s account activity, should have appeared particularly unusual or uncharacteristic. So I don’t think it acted in error by processing it.

I recognise that Mr U made Santander aware of the issue as soon as he was reasonably able to. However, by this point, the payment had already been made processed. So there was little that Santander could have done in terms of recovery. As has already been outlined, the funds were paid to a money transfer service, which seemingly carried out the service it was required to – the transfer of funds. So I don’t consider that Santander acted unfairly in saying it couldn’t raise a chargeback claim for Mr U.

I've also listened to the call between Mr U and Santander, in which he made it aware of the disputed transaction. Having done so, I don't agree that Mr U was explicitly told he would receive a refund. But I do agree that Santander could have been clearer about what would happen. The adviser explained that Santander aims to solve each claim on the working day after the payment has been raised – so Mr U could expect to hear the following day. And he also explained that there isn't much contact, so Mr U would just see the funds return to his account. But it wasn't made clear enough that this was *if* the claim was successful.

Santander acknowledged it could have been clearer in setting Mr U's expectations so offered £50 by way of an apology. I think it would be worthwhile explaining here that the error here was in not managing Mr U's expectations. Had it been clearer in its communication, and if things had happened as they should have done, Santander would have made it clear that Mr U might *not* receive a refund. So the error is solely about the communication here – the error wasn't a failure to refund Mr U.

Mr U has undoubtedly been the victim of a cruel scam. And I'm sorry he's lost money as a result of this. But the fault here lies with the scammer, not with Santander. I don't think it acted in error in processing the payment, or in its actions around recovery. Its failing here was around its communication with Mr U after the event, for which I think £50 is a fair reflection of what went wrong.

Putting things right

For the reasons given above, Santander should (subject to Mr U's acceptance of this decision):

- Pay £50 for the trouble and upset caused by failing to communicate clearly with Mr U.

My final decision

For the reasons given, I uphold this complaint in part. I direct Santander UK Plc to put things right for Mr U as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 15 May 2026.

Melanie van der Waals
Ombudsman