

The complaint

Mr J complains that Santander UK Plc failed to refund transactions he didn't recognise.

What happened

Mr J asked Santander for copy statements relating to his closed account in support of an issue he was dealing with relating to a large payment he was due in 2017. Mr J explained that he was asked for evidence whether this payment had ever been made to him and he'd asked Santander for the statements to help him.

Santander arranged for the statements to be sent to Mr J but there was a delay in receiving them. Santander wrote to Mr J explaining there was an issue with the postal services and arranged for them to be sent electronically. In the meantime, Santander looked into the specific payment Mr J was trying to identify and told him there was no record of it been received into his account.

Mr J subsequently received his statements and identified the payment he'd previously asked about which had been paid into his account. On further review of the statements he believed his account was being used by someone else and disputed the majority of the transactions on the account over the next few years until the account was closed. Mr J said he disputed them on the advice of Santander.

Santander didn't accept Mr J's fraud claim and told him that it was too late to make it because he hadn't notified them within 13 months of the unrecognised transactions. Mr J made a complaint to Santander, who didn't change their position.

Mr J remained unhappy with how his complaint had been dealt with and brought it to our service for an independent review. Mr J said he was vulnerable due to illness and Santander were aware of this because of the type of payments paid into his account. He said he was unwell at the time of the incoming payment in 2017 but had started looking after his own accounts the following year. The complaint was looked into by one of our investigators who thought it was unlikely that the transactions were made by anyone else and that it was reasonable for Santander to hold Mr J liable for them.

Mr J disagreed with the outcome and asked for a further review of his complaint. He also sent our service evidence of a suspicious text he'd received. Our investigator told Mr J that he should be wary about such texts and not to reply to them. He referred Mr J to Santander's website for advice about such scams. Mr J wanted this text message investigating as part of this complaint.

I issued a provisional decision where I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'd first like to address the suspicious text message that Mr J received. I recognise that the receipt of such messages can no doubt be worrying. I understand Mr J wanted this looking

into as part of this complaint, but as the message doesn't form part of the original complaint, I won't be commenting on it within this decision.

When Mr J was trying to obtain a copy of his statements, his account had already been closed by Santander. The information he wanted was from about four years earlier and Santander arranged to send Mr J a copy of his statements by post, which were delayed due to postal problems.

Santander were aware what payment Mr J was trying to find and attempted to assist him by looking through their records. They wrote to Mr J and told him specifically that there was no record of his account receiving the payment he'd asked about. Mr J has explained that he was then told by Santander to dispute the transactions because of fraud on his account. I've looked at the notes recorded by Santander and there's no record of this advice, but it's apparent that whether he received advice from Santander or not, Mr J believed his account was subject to fraud. Once Mr J received a copy of his statements, he saw the payment had been received into his account and thought this was also part of fraudulent activity.

Mr J told our service that he wasn't actively managing his accounts at the time of the incoming payment because he was experiencing difficulties with his health. Mr J believes Santander knew about his health problems because of the type of payment that was made into his account. Santander's records don't reflect Mr J's understanding and I don't think they would necessarily know what specific issues Mr J was experiencing unless he told them. I don't think the knowledge of his health condition would have made a difference here because Santander were only trying to comply with his request for copy statements and identify the specific payment Mr J was concerned about.

I've examined the incoming and outgoing transactions on Mr J's account and there's nothing to suggest that he didn't receive the large payment he originally queried. The manner in which the subsequent transactions were made - either by the genuine card or bank transfers - also doesn't suggest they were made by anyone other than Mr J. I think it's more likely than not that these transactions were made by Mr J or someone he authorised to use his account. I appreciate the situation Mr J was in and the doubts he had about his account. I hope that the independent review of the transactions gives him some measure of confidence that there was nothing wrong with how his account was used.

Santander declined to look into the disputed transactions because of the length of time Mr J had taken to report them and I can understand why they mentioned this rule, but in any event there isn't enough evidence to show these transactions were unauthorised in a way that would be fair to hold Santander liable to refund them.

I've also thought about what happened once Santander gave Mr J the wrong information, which caused Mr J to complain to Santander and eventually refer it to our service. I think this probably could have been avoided if they'd given Mr J the correct information when they wrote to him. I recognise that Santander were trying to help Mr J, but the information they told him only served to cause him further doubts about what had happened. I'm unsure why this incoming payment was missed as it's the single largest payment he received around that time.

Mr J wanted the information about the payment because it was central to a discussion he was having with another organisation at the time. I don't know if Mr J used the information given to him by Santander, which if he did, would no doubt have caused further confusion and anxiety until it was rectified. As a result of the incorrect information Santander gave Mr J, he believed his account was being used fraudulently and spent time and effort trying to find out what happened. He experienced unnecessary inconvenience and stress as a result of Santander's error.

Because of this, I'm intending to instruct Santander to pay Mr J £150 for the inconvenience and unnecessary stress they caused due to the misleading information they gave him. I don't intend to uphold Mr J's complaint regarding the alleged fraud on his account as I think Mr J was more likely than not responsible for making the transactions.

I invited Mr J and Santander to give me any more evidence and information they wanted me to consider before issuing my final decision. Mr J accepted my provisional decision and Santander disagreed as they thought the award was excessive, but did agree that they'd initially misled Mr J, but by sending the statements out, they'd provided him with the correct information.

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 done so, I'm not intending to change my position I set out in my provisional decision. I appreciate both parties responded quickly, and I've considered the additional comments made by Santander.

I don't disagree that Santander corrected their earlier mistake when they sent the statements out to Mr J, but unfortunately by this time, Mr J had been told by them in a formal letter that he hadn't received this incoming payment that he specifically asked them about. Receiving such a letter from Santander would have carried great weight with Mr J, as I'm sure it would with most people. Once he was given that information from Santander, Mr J then believed he'd been defrauded which set off the further complaints. So, whilst I'm satisfied it was purely an innocent mistake from Santander's part, it did cause Mr J unnecessary stress and inconvenience and I think the award of £150 is reasonable in the circumstances.

Putting things right

I'm instructing Santander to award Mr J £150 for the unnecessary stress and inconvenience they caused due to the misleading information they gave him. I don't uphold Mr J's complaint concerning the disputed transactions he believed was present on his account.

My final decision

My final decision is that I uphold this complaint in part and instruct Santander UK Plc to pay Mr J £150 for the reasons I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 11 March 2022.

David Perry
Ombudsman