

## **The complaint**

Mr D says Santander UK PLC “Santander” refuses to refund him for two transactions on his account he says he didn’t authorise.

## **What happened**

Mr D says his phone and some cash was stolen from his locker at the gym at around 10am on 6 March 2023. He says he then lost access to his credit card account information online so he couldn’t see any transactions after this point. Mr D says he contacted Santander on 11 March 2023 and from this call, he discovered two unauthorised transactions on his account. Mr D says he wants Santander to refund the transactions, he is also unhappy with the customer service received.

Santander says the transactions were online transactions which were both verified using a one-time passcode (OTP) sent to Mr D’s registered number. And the evidence of Mr D’s online banking logins show his Santander app was logged in from his usual device using face ID after the transactions in dispute were made. So, it says Mr D must have had the device after the disputed transactions to login via face ID. Therefore it has held Mr D responsible. Santander says it has investigated Mr D’s complaint correctly and efficiently and responded to him appropriately, so it doesn’t think it needs to do anything further.

Our investigator considered this complaint and decided not to uphold it. Mr D was unhappy with this, so the complaint has been brought to me to consider.

## **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’d like to reassure both parties that although I’ve only given an overview of what happened, I’ve read and considered everything we’ve been provided in its entirety.

When considering what’s fair and reasonable, I’m required to take into account relevant law and regulations; the regulator’s rules, guidance and standards; the codes of practice; and, where relevant, what I consider good industry practice at the relevant time.

Where there’s a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

In this case I’ve seen evidence that the transactions were both made in the morning of 6 March 2023 using Mr D’s credit card details online. For both transactions an OTP was sent to Mr D’s registered phone number (the one Mr D says was linked to the phone that was stolen) and correctly entered to the retailer’s website to authenticate the payments. So, Santander says the more likely conclusion is that Mr D authorised these transactions himself as no one else would’ve been able to get into his phone.

Mr D says this phone was stolen and it's possible he was seen entering his phone's passcode prior to the theft. I have seen cases of shoulder surfing in the past, and it is possible someone saw Mr D using his passcode to unlock the phone and then broke into his locker to steal it afterwards. However, Santander has also provided evidence to show Mr D's online banking was accessed via this phone using face ID around 8pm on 6 March 2023 – so after Mr D says the phone was stolen. And the app has not recorded any change in the biometrics. I have considered the evidence supplied and I am satisfied that the device ID matches the device ID previously used on his account, and the system records the login method as face ID. So even if someone else was able to access the OTP sent to the stolen phone, this doesn't explain how they could've accessed his app using his face ID.

Santander has also supplied some supporting evidence to show that the IP address usually recorded for Mr D's banking activity prior to the disputed transactions was registered as accessing the banking app after the transactions in dispute from the stolen device. I've also noticed that Mr D didn't alert Santander to the fact that his phone had been stolen. Mr D says he lost access to his credit card account information online straight after his device had gone missing. So, I would've expected this to raise alarm bells and cause him to contact Santander to let it know. However, Mr D didn't raise the disputed transactions until 11 March 2023, when he called about another matter.

Mr D says he encountered theft on other cards and this money was promptly refunded, he also said this type of theft has been common at his gym and they even have CCTV of the suspected culprit. However, Mr D hasn't sent me the CCTV evidence or any other supporting information from the gym for me to consider. So, while I am not saying I think Mr D is lying, at the time of writing the only evidence I have of theft or fraudulent activity is what Mr D has told me. And in the face of the opposing evidence available, this is not enough to persuade me that it is more likely than not these transactions were unauthorised.

I've also considered what Mr D has said about the service received by Santander. He logged his complaint with it on 11 March 2023 and was sent a letter stating it had reached an outcome on his complaint on 13 March 2023 and had tried to contact him. I've seen evidence of Santander's attempts to call him on both the numbers he had registered. So, I am satisfied it dealt with his complaint efficiently. I've also seen Mr D is unhappy he couldn't call the fraud team directly and that it hasn't provided the evidence it has relied upon. However, as addressed by the investigator, these are business decisions and not something we have the authority to ask Santander to do differently.

While I know this outcome will come as a disappointment to Mr D, for the reasons outlined above I am not upholding this complaint. So, Santander do not need to do anything further.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 10 December 2024.

Sienna Mahboobani  
**Ombudsman**