

The complaint

Mr S has complained Santander UK plc won't refund him for a transaction he didn't authorise.

What happened

After being conned out of his Santander debit card details by a phishing scam, Mr S got a call from Santander's fraud team who told him about a payment attempted from his account.

Mr S then discovered a card transaction for £1,038.16 and complained to Santander that he'd not authorised this. Santander felt their evidence showed Mr S had authenticated the payment so overall they wouldn't refund him.

Mr S brought his complaint to the ombudsman service. After reviewing Santander's technical evidence and Mr S's testimony, our investigator thought there was enough evidence to show Mr S had authorised the transaction.

Mr S continued to disagree with this outcome. Our investigator has gone on to share more detailed evidence with Mr S. Mr S believes he was treated unfairly and has asked an ombudsman to review his complaint.

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've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr S's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. Other factors do apply but nothing else specific in Mr S's case.

So to help me decide what happened, I've looked at the evidence of the transaction, as well as what Santander and Mr S have told us.

Overall I believe the evidence shows Mr S did authorise the disputed transaction. I say this because:

- The iPad used by Mr S was the one used to authenticate the transaction within

Santander's app. Mr S has confirmed he'd used this device for previous transactions within the month preceding the disputed transaction and in fact ever since he'd had this device.

- The technical evidence suggests the card details were input elsewhere – not at Mr S's most frequently used IP addresses – which fits with Mr S being conned into giving a third party his card details which were then used fraudulently. However as Mr S authenticated the payment within his app, I'm satisfied under the PSRs that does amount to authorisation.
- There were further attempts made to use Mr S's card details for other similar transactions which were blocked by Santander.
- More recently it's been confirmed to Mr S that authentication took place within the app, rather than him receiving a one-time passcode. I appreciate his concern about how this happened, but I don't see how it could have been done without him authorising the transaction, despite what he's told us.

Mr S may well dispute his authorisation of this transaction but in line with the basis under which I'm obliged to consider his complaint, I believe there's sufficient evidence to show Mr S authorised this transaction.

Therefore I won't be asking Santander to do anything further.

I note Mr S's concerns about whether he's received sufficient notification about how fraud happens. I can see he will have received many fraud alerts from Santander. Unfortunately it's often the case that we only pay attention to these alerts as they match our circumstances at the time. Banks try to ensure we are aware of the numerous ways fraud can happen but as these continually evolve, it continues to be difficult for banks to get this balance right.

My final decision

For the reasons given, my final decision is not to uphold Mr S's complaint against Santander UK plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 7 March 2024.

Sandra Quinn
Ombudsman