

## **The complaint**

Mr C has complained about the way Santander UK Plc handled fraud on his account.

## **What happened**

Fraudsters stole Mr C's identity, gathering enough of his information to impersonate him. They changed his Santander account's contact details, ordered new cards, and spent around £13,000 through purchases and cash withdrawals.

Mr C reported this to Santander, who investigated it within a day. They apologised, refunded the disputed payments in full, waived interest and charges, corrected the account's contact details, added additional layers of security to the account, and paid him £310 compensation.

Mr C has asked for more compensation. He said he could've had a heart attack. He said he took time off work to go to branch, so he would like to be paid at his day rate. He would like a more in-depth explanation of how the fraudsters stole his identity, along with personal information about the fraudsters so that he can identify them.

Our investigator looked into things independently and found that Santander had already resolved the matter fairly. Mr C didn't agree, so the complaint's 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.

First, I appreciate that Mr C was subjected to a substantial incident of fraud, and that the fraudsters caused him a great deal of distress, so he has my sympathy. This cannot have been an easy time for him, and I'm grateful to Mr C for being open and candid with us about how this matter made him feel.

It's worth keeping in mind that it's the fraudsters who committed the fraud, and so it's the fraudsters who are primarily responsible for what happened. But my role is to informally resolve complaints about financial businesses. So in this complaint about Santander, I can only make awards for what Santander in particular are responsible for. And we're not the regulator – that's the Financial Conduct Authority (FCA) so I'm not here to issue fines or to punish Santander. Similarly, we're not a police force, so I cannot investigate the fraudsters nor find out their identity for Mr C.

Santander were responsible for dealing appropriately with Mr C's fraud report. And I can see that they did. They investigated very quickly, refunded Mr C in full, waived any interest and fees, apologised, corrected the details which had been changed, sent him resources about how to protect himself from identity theft, and added extra layers of security to his account to stop the fraudsters from being able to do this again. So I find that they treated the matter with appropriate seriousness and broadly handled it well.

I can certainly appreciate why Mr C would like more details about exactly how the fraudsters stole his identity. I do understand he's not satisfied with Santander's explanation. But there's only so much Santander could say. For one thing, it's reasonable for them not to give away too much detail about how their security works to members of the public, and they would also need to avoid giving the fraudster's personal information away due to data protection laws. But moreover, there's only so much Santander could know. Common identity theft techniques are carried out without any involvement of the bank. For example, the fraudsters may have searched Mr C's bins, intercepted post, sent him phishing contact which looked genuine, scoured his social media or other public records, and so on. And Santander can't realistically know which of those techniques were used here. They are not a police force, so they cannot carry out a detailed criminal investigation into the fraudsters nor confirm for certain which specific methods they used to steal Mr C's identity.

Similarly, while I appreciate that Mr C would like Santander to give him personal information about the fraudsters so he can find them, I would not expect them to do that, and nor could I compel them to. As I mentioned above, that would breach data protection regulations.

Mr C argued that Santander should have blocked the disputed payments. I can understand his argument. While Santander should have been on the lookout for payments which could be fraudulent, a balance must be struck between responding to potential fraud and ensuring there's minimal disruption to legitimate payments. The starting position in law is that banks are expected to process payments which they're authorised to make. And because the fraudsters had successfully stolen Mr C's identity, to the bank the payments would've looked like they were authorised. Then even if I accept that Santander should have blocked some of the payments involved, the main way to put that right would be for them to refund the payments they should've blocked. And they've already refunded *all* the payments involved.

As I mentioned before, we're an informal dispute resolution service, not the regulator, so we're not here to punish Santander for getting something wrong. Instead, when a business gets things wrong, we look at compensation, to acknowledge their error and the impact it had on the customer.

Again, it's important I keep in mind that it's the fraudsters, rather than Santander, who committed the fraud, so it's the fraudsters who are primarily responsible for the fraud. That's a key point. Because even if Santander had done everything right and blocked all the payments, it would still have been highly distressing for Mr C to be targeted by criminals like this. In all likelihood, he would've still faced a level of anxiety about how they'd pursued him, his account would still need to have been blocked while Santander checked it was secure, he would still have been required to go to branch so Santander could make sure he was the real Mr C, and he would still have needed to spend significant time talking to Santander.

So there's only so much of Mr C's stress and inconvenience which I can fairly attribute to Santander, rather than the fraudsters. Particularly, I can't reasonably tell Santander to pay Mr C his day rate, as the fraudsters' attempts to steal his identity would've realistically meant he needed to visit his branch in any case. Further, we don't generally award compensation based on someone's professional rates. Santander were not Mr C's customer and he wasn't providing a professional service to them – this was a personal matter of his. And perhaps more importantly, if we based personal compensation on professional rates, it could suggest that one person's time is intrinsically worth more or less than another's, which might not be fair or reflect the real impact of the error on the complainant.

I do also appreciate that Mr C could have suffered a heart attack, and I'm very glad that he didn't. But I need to clarify that we only award compensation for things which actually happened, and not for things which could have potentially happened but did not happen.

Here, I can see that Santander caused Mr C more than the level of frustration one might reasonably expect from day-to-day life, such that an apology on its own wouldn't be enough to remedy things. I can see he was caused acute stress, though I also see that the core matter was resolved very quickly, and Santander resolved things as I would expect them to. So taking into account the impact Santander had on Mr C, along with the guidelines for compensation which I must follow, I find that the £310 compensation Santander paid Mr C is fair to put its errors right in this case.

So while I'm very sorry to hear about what the fraudsters did to Mr C, I find that Santander have already resolved the matter appropriately. I have not found a reason to tell them to do anything more.

### **My final decision**

For the reasons I've explained, I find that Santander UK Plc have already resolved Mr C's complaint fairly. I don't make any further award.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 8 May 2024.

Adam Charles

**Ombudsman**