

The complaint

Mr and Mrs D are unhappy that Santander UK Plc won't refund a debit card payment they made as part of a scam.

What happened

Mr and Mrs D wanted to fly to South Korea to see their friends. They thought they'd found flights using a well-known travel search engine, I'll call "S" – and after entering their details on the website they were called by someone posing as agent. On 27 March 2023 Mr and Mrs D paid £837.99 over the phone, using their Santander debit card, which covered the cost of roughly one of the flights (the remaining amount was paid for on credit card). They received documents seemingly confirming their flights – with two different travel brokers mentioned. But the transaction on Mr and Mrs D's bank account statement appeared as a payment to a large online travel agency, I'll call "B".

Mr and Mrs D were due to fly on 31 July 2023, but shortly before the agent got back in touch and said a further payment was due or the flights would be cancelled. Suspicious, because they thought they'd paid for everything, Mr and Mrs D queried this with the agent but got no response. They then checked with the airline, who said there weren't any flights booked in their name – which is when they discovered they'd been scammed.

They reported the matter to Santander while abroad on 2 August 2023, and the bank raised disputes about the payments, including the one to B on their debit card. They completed a chargeback form with all the details, but Santander wrote back to say it needed more information a few times. Mr and Mrs D say they spoke to Santander each time they received a letter to explain they'd provided everything they could.

B defended the chargeback claim, saying it had provided the services paid for with the disputed card transaction – but Mr and Mrs D's details weren't on the invoice (the services had been provided to a different customer). Santander subsequently declined the chargeback claim and re-debited the transaction amount. Unhappy with the outcome, Mr and Mrs D raised a complaint.

Santander's first response on 2 November 2023 said it couldn't raise a chargeback now due to it being outside of the timescales for doing so. But the bank did pay £100 to apologise for not investigating it as a scam when they first reported things. Santander's fraud team subsequently declined the scam claim, which prompted another complaint being raised – and in that final response the bank said it hadn't been provided with enough evidence to support a chargeback.

Mr and Mrs D referred the complaint to our service for review. One of our investigators considered everything and didn't think Santander ought to have done more to prevent the fraud. She didn't think the transaction would have looked suspicious enough to have prompted further checks. The investigator also concluded the decision to decline the chargeback claim was fair, as it had been made too late. A separate complaint was referred to us under a different reference about the credit card transactions.

Mr and Mrs D didn't agree with the investigator's view and asked for an ombudsman to reconsider things. So the complaint was passed to me for a final decision on the matter.

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 decided not to uphold the complaint. I know this isn't the answer Mr and Mrs D were hoping for, and so this will come as a disappointment. I was also very sorry to hear about what happened – it must have been an absolute nightmare realising they'd been scammed only a few days away from their holiday. This decision only covers the payment made on their debit card, and we're separately investigating the credit card transactions. I know Mr and Mrs D expected to be protected if something went wrong, as they'd paid on card – but unfortunately this payment isn't covered for a refund. I'll explain why.

It's not in dispute that Mr and Mrs D have been scammed. The payment in question was 'authorised' by them, in the sense that they approved it – albeit under the false belief it was to pay a legitimate travel broker for flights. Santander has a responsibility to detect and prevent fraud where reasonably possible, and to also assist its customers in attempting to recover stolen funds once reported. So I've thought about whether Santander ought to have prevented the loss from occurring, and I haven't found that's the case here. Though the payment for £837.99 was larger than the usual everyday spend on the account, it wasn't concerningly large. Higher value transactions had also been made in the months prior, so I don't think this one ought to have prompted fraud checks prior to allowing it. In other words, I haven't found that Santander should have realised Mr and Mrs D might be falling victim to a scam when they made this payment, and taken further action to protect them at that point.

Turning to Santander's responsibility to assist with recovery, because this was a debit card payment the chargeback scheme (Mastercard in this case, according to the bank) is relevant. The scheme has rules that aim to sort out certain straightforward disputes between cardholders and merchants. There's also an arbitration stage if it can't be resolved at bank level. Santander has provided different explanations for why this payment isn't covered for a refund under the chargeback scheme – ranging from the claim having been raised out of time, to not enough information being provided. At no point, as far as I can tell, has it been explained clearly and simply to Mr and Mrs D why the scheme doesn't offer protection in this scenario. Instead Santander sent several letters asking for the same things – which Mr and Mrs D could never supply, given the nature of the scam.

Mr and Mrs D reported the matter just a couple of days after the date their flights were meant to take off. There are time limits for raising chargeback disputes, but where the claim is about travel services not being provided, the scheme rules allow for the fact that those types of purchases are often paid for in well advance. In this case, Mastercard's rules said claims needed to be made within 120-calendar days from the latest date the service was expected to be provided. So, if these flights were legitimate, Mr and Mrs D's claim would have been raised well inside that timeframe, just a couple of days after the supposed flight date. The service was actually provided by B on 23 July 2023 – so the claim was still raised in time.

The relevant chargeback reason code is the one covering situations where goods or services are not received. In this case, Mr and Mrs D paid B, an online travel agency – as that's the merchant that appears on their statement. But, understandably, they can't provide an invoice or booking confirmation for B, as they didn't make the booking – the scammer did. B has shown it did provide the service paid for with the transaction, just not to Mr and Mrs D. They were unfortunately tricked into paying for a flight used by someone else – and the person who used it could themselves have been an unwitting participant in the fraud (the

scammers might have sold the flight to them). There isn't any evidence the scam broker was linked to B either.

So, overall, because the service paid for with the transaction was provided by the merchant, and the payment was authorised, Mr and Mrs D aren't able to charge it back. The chargeback scheme does provide a route to recovery in some specific scenarios, but unfortunately it doesn't cover this one.

Santander has paid £100 for the poor service it gave in connection with the claim, and I think that's fair in the circumstances. I've no doubt the communication with the bank about the dispute and time spent on it will have been frustrating, but I think that amount covers the inconvenience caused. I know Mr and Mrs D has mentioned the call costs they incurred when phoning abroad, and those are certainly unfortunate – but I don't think they arose from a mistake Santander made. So I don't think the bank can fairly be expected to cover them.

I want to reiterate how sorry I am that Mr and Mrs D had this money taken from them. But, having considered the complaint, I don't think Santander is liable for the loss in these circumstances. They will also hear separately about the outcome of the credit card case.

My final decision

My final decision is I don't uphold Mr and Mrs D's complaint about Santander UK Plc, regarding the disputed transaction on their current account.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mr D to accept or reject my decision before 15 August 2025.

Ryan Miles
Ombudsman