

The complaint

Miss J complains Santander UK PLC ("Santander") refuses to refund her for transactions on her account which she says were fraudulent.

What happened

Miss J had booked a holiday through a popular booking company, I'll call them A, and paid a deposit at the time of booking. She then received some money and decided to pay off the balance due, so she called a number she thought was the correct number for A. She made two payments of £793.39 and £230.47, but she later discovered these payments did not go to A and she was tricked into paying this money to a fraudster.

Miss J raised a complaint with Santander for unauthorised payments on her account. Santander says it won't refund these payments as unauthorised as Miss J says she made these payments herself and she authenticated them in her banking app. To assist Miss J further Santander raised a chargeback to try and reclaim the money she had been scammed out of, but Miss J didn't respond with the required information so the time limit for raising this lapsed.

Our investigator considered this complaint and decided not to uphold it. Miss J wasn't happy with this outcome, so the complaint has been passed to me for a final decision.

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.

Firstly, I would like to say I am sorry to hear of Miss J's medical conditions and the stress this situation has caused her. It seems she has been an unfortunate victim of a scam, and for that she has my sympathy. However, my role here is to look at all the evidence, and then reach a decision that takes this into account and is fair to both parties. That means I consider Santander's position as much as I do Miss J's. And what Miss J's asking for here is for Santander to use its own funds to pay her back money that she says she accidentally paid to a fraudster.

Generally speaking, Santander is required to refund any unauthorised payments made from Miss J's account. Those rules are set out in the Payment Service Regulations 2017. But a consumer should be responsible for transactions made from their account that they've authorised themselves. Santander has provided evidence to show both transactions in dispute were made using Miss J card details and authorised in the banking app. So, it is satisfied that Miss J did authorise these transactions. I have considered this evidence, and I agree. In any event Miss J's evidence is that she made these payments, but she was tricked into making them to the wrong companies. So, I am satisfied that the transactions in dispute were authorised by Miss J.

Santander raised a chargeback for Miss J in the hope to try and recover some or all the funds. It asked Miss J for further information from her to complete the chargeback process

but it says the information was never received and the time to make the claim had lapsed. I've looked at the evidence provided on this, and I can see Santander issued her a letter on 26 April 2024 asking for some further information for her claim. Miss J hasn't said she didn't receive this letter or given any other explanation about why she didn't respond. The deadline lapsed and Santander wrote to her to let her know. But I still haven't received any information from Miss J as to why she never responded. In the circumstances, however, I don't think Santander has done anything wrong by refusing to complete the chargeback after the deadline lapsed.

The charge back scheme also relies on the bank and the merchant being honest and fair in the process. In this case, the money was paid to what looks like fraudulent travel companies purposely named to disguise themselves as other popular genuine travel companies. So, even if Santander had been able to raise the charge back, I don't think Miss J would've got the outcome she was looking for. I think it is unlikely the chargebacks would have been successful, meaning it is unlikely Miss J would've received any money back anyway.

I know this outcome will come as a disappointment to Miss J and I am sorry for the situation she finds herself in. However, having considered all the available evidence I am unable to hold Santander responsible for the money Miss J has lost.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 4 October 2024.

Sienna Mahboobani
Ombudsman