

## **The complaint**

Mr R complains that Santander UK Plc won't reimburse him a transaction made on his debit card as the result of a scam.

## **What happened**

Mr R has explained that he was looking to book flights for a trip and that a friend provided him with a telephone number for - what he understood - to be an airline company, through which to book.

Mr R contacted the telephone number and spoke to an individual purporting to be an airline company. Unfortunately, unknown to Mr R at the time, this individual was in fact a fraudster. The fraudster advised Mr R that the flights he required would cost £680.99, which Mr R agreed to. Mr R provided the fraudster with his card details by which to make the payment. Mr R received a One Time Passcode (OTP) from Santander, also required to complete the transaction, which Mr R provided to the fraudster on their request.

The fraudster told Mr R that he wasn't providing information quickly enough and the payment hadn't gone through, so asked Mr R to make a further payment. However, Mr R could see that the payment had gone through and he therefore began to have suspicions that he had fallen victim to a scam. Mr R therefore contacted Santander to attempt to cancel the payment and raise a scam claim.

Santander reviewed Mr R's claim but didn't agree to reimburse him. It advised Mr R that once payments are authorised, they cannot be cancelled or deleted. Santander attempted to submit a chargeback for Mr R for this transaction, but failed to receive the information needed from Mr R to proceed with it.

Mr R remained unhappy and referred his complaint to our service. An investigator considered the complaint but didn't uphold it. He said that he didn't think the payment Mr R made was so suspicious that Santander ought to have conducted further checks, prior to processing the payment. He said that once the payment was processed, the only option available to Santander was a chargeback, which Santander attempted, but that this was unlikely to be successful based on the nature of the payment.

Mr R disagreed with the investigator's opinion. He maintained that the payment ought to have been stopped, based on calling Santander while it was still pending, and that he was vulnerable when making the payment. As Mr R disagreed with the investigator, the complaint has been referred 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.

Santander is a signatory of the CRM Code, which requires firms to reimburse customers who have been the victims of Authorised Push Payment (APP) scams, in all but a limited

number of circumstances. However, the CRM Code does not cover card payments, which is how Mr R made his payment of £680.99.

*Can Santander hold Mr R liable for the transaction?*

In broad terms, the starting position in law is that Santander is expected to process payments that a customer authorises it to make, in accordance with the terms and conditions of the customer's account and the Payment Services Regulations 2017 (PSR's). And, generally, Santander can hold Mr R liable for the disputed transaction if the evidence suggests it's more likely than not that he made or authorised the transaction himself.

Mr R gave his debit card information to the fraudster in order for the transaction to be made, as well as the OTP provided by Santander – and Mr R was aware he was making a payment (albeit under false pretences that this payment was for flights for himself). So I'm satisfied that Mr R has consented to the transaction. In that, Mr R was aware that a payment was being made and agreed to it. I fully accept that Mr R has been the victim of a scam, which meant that the air tickets weren't purchased and instead a payment to a travel site was made, likely for the benefit of the fraudster. However, that doesn't mean that Mr R didn't consent to the transaction under the PSR's. As I'm satisfied that Mr R authorised the transaction, Santander can hold him liable.

*Is Mr R entitled to a refund under chargeback?*

Mr R's payment was made using his debit card. Therefore Santander has the option available to it to submit a chargeback, which deals with disputes between card issuers (Santander) and merchants. A chargeback isn't an automatic right and banks don't have to raise a chargeback – but in this case, Santander did.

Santander has said it didn't receive the necessary information from Mr R it required and the chargeback was therefore unsuccessful. Even if Mr R had provided the necessary information, I don't think a chargeback claim would have had any reasonable prospects of success. I say this because Mr R authenticated the payment (which would impact any chargeback raised on the grounds of fraud) and a service was most likely provided by the merchant (albeit to a third party and not Mr R), which would impact a chargeback made on the grounds of a service not being provided.

I therefore don't think Mr R had any reasonable prospects of being refunded his losses via a chargeback claim.

*Is there any other reason I could ask Santander to refund Mr R?*

When Mr R made the payment, I wouldn't have expected Santander to identify a potential scam risk or to be concerned that Mr R may have been at risk of financial harm.

Based on the specifics of the payments, which include the size of the payment and it being an individual payment (not a series of payments) to a legitimate merchant, I'm not satisfied that it is so unusual or out of character that I would have expected Santander to have concerns.

Banks have to strike a balance between identifying payments that could be fraudulent and then responding appropriately based on their concerns, and ensuring minimal disruption to legitimate payments. And, in this case, I'm satisfied that Santander acted reasonably by following Mr R's payment instruction without intervening.

I understand Mr R feels Santander should have stopped the payment from being processed when he called to raise fraud concerns. Unfortunately once a payment is made, even when still pending, it isn't possible for a bank to cancel that payment – that's a matter that can only be resolved with the merchant directly. I therefore can't agree Santander did anything wrong by not taking further steps to stop the payment, once made aware it was a result of a scam.

I also understand Mr R has said he was vulnerable when making the payment. In order to determine that this would have affected Santander's actions, I'd need to see that Santander was aware of this at the time Mr R made the payment, and that this ought to have given it reason to have intervened on this payment. I haven't seen any evidence that Santander was aware of any vulnerabilities here, so I don't think it acted unreasonably by not intervening when this payment was processed.

I appreciate Mr R feels strongly that Santander should reimburse him. And I'm sorry to disappoint him in reaching my outcome. While I have a lot of sympathy for Mr R's situation, I haven't been able to determine that his losses are the result of Santander's actions, rather than a callous fraudster. I therefore can't fairly ask Santander to reimburse him his losses.

### **My final decision**

My final decision is that I don't uphold this complaint against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 23 August 2025.

Kirsty Upton  
**Ombudsman**