

The complaint

Miss R says Santander UK PLC (“Santander”) refuses to refund her for a transaction on her account she says she didn’t authorise.

What happened

Miss R says she was trying to book a hotel for her and a friend, and she called a number she believed to be a genuine travel operator. Miss R says she gave the caller her card details and address. While confirming the amount of £403.15 she became suspicious the call was a scam, and she says she only gave the caller two digits from the one-time passcode sent to her from Santander.

Miss R is now aware that this was a scam, and she says Santander should refund her the money because she didn’t give the full one-time passcode (OTP) to authorise the payment. She also says Santander should’ve done more to protect her money.

Santander says the transaction in dispute was correctly authorised using the full one-time passcode. And as Miss R has admitted to giving her details and the code on the phone, it has held her responsible for this payment.

Our investigator considered this complaint and decided not to uphold it. Miss R didn’t agree, so the complaint has been passed to me for a 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.

A consumer should only be responsible for transactions made from their account that they’ve authorised themselves. Miss R said she didn’t give permission for the transaction in dispute to be made but Santander believes she did. My role then is to give a view on whether I think Miss R more likely than not authorised the transaction, based on the evidence I have available.

Santander has shown that the full card details were needed to make this payment, which Miss R doesn’t dispute giving to the caller. Santander has also provided evidence to show it sent an OTP to the number associated with Miss R’s account. And the OTP was entered correctly which then approved the payment.

Miss R says she became suspicious about the call and realised it was a scam before giving the caller the full OTP. From what we’ve seen, payments requiring an OTP are not successful unless the correct and full passcode is entered. I’ve seen a template of the OTP message Santander says it would have sent Miss R, and I have no reason to dispute this as being the same as what she would’ve received. This shows the OTP is a five-digit number. So, either the scam caller was able to guess the remaining three digits of the OTP, or Miss R gave the caller the full passcode. But as Miss R says she only gave two numbers this would mean the scammer guessed the remaining random three numbers. There is no evidence of

an incorrect attempt, and I think it's highly unlikely, with all the possible combinations that a scammer would've been able to guess this correctly the first time. So, it follows then, that I think it is more likely Miss R gave the caller the OTP to authorise this payment.

Miss R says there must have been an error with Santander's system which allowed the payment to go through without the full passcode. While this is possible, I've not seen any evidence that this has happened before or since, and Santander's system clearly records the passcode as having been entered correctly. So, there is no other evidence to persuade this was the case and it's difficult for me to rely on what Miss R has said alone to uphold the complaint.

Miss R also says Santander should've done more to protect her and her money. I've seen a copy of the OTP message template which says, "*Never share this code, not even with Santander staff*". I think this warning is clear and helpful – and I don't think Santander should reasonably be expected to do anything more to alert customers not to share the passcode.

I've also considered the size and type of payment in dispute and whether this should've been flagged by Santander's fraud department. Usually, we would expect large payments, perhaps international payments, or payments significantly out of character to be flagged. The payment in dispute was for a relatively low sum and there was no indication that this could have been fraudulent – like incorrect OTP attempts or logins from another country. So, I don't think Santander did anything wrong by not blocking this transaction.

I can understand this outcome will come as a disappointment to Miss R, she has lost this money to a scam, and I can understand this must be frustrating. However, based on the evidence above, I think it's more likely than not she authorised this payment by providing her card details, address and the OTP. So, it wouldn't be fair to ask Santander to refund her this money.

My final decision

For all the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 12 December 2024.

Sienna Mahboobani
Ombudsman