

## **The complaint**

Mrs M complains about Santander UK Plc.

She says that Santander should refund her for a plane ticket scam she fell victim to.

## **What happened**

Mrs M and her husband wanted to purchase flights and did so through an online travel agent. However, when they turned up to take the flight, they were told that the booking didn't exist and realised they had been scammed. Mrs M made a payment for £1,504.63 for her flight.

It appears that they had inadvertently purchased the tickets via a third party, who unbeknownst to Mrs M and her husband did purchase plane tickets – but not for them. And they were provided with fake ticket confirmations.

Mrs M made a complaint to Santander about what had happened – initially about a chargeback (which was unsuccessful as the tickets were used) and then that she had been the victim of a scam.

Santander didn't uphold the complaint, so Mrs M brought her complaint to this Service.

Our Investigator looked into things but didn't think that Mrs M's complaint should be upheld.

## **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 have decided not to uphold this complaint. I know this will be disappointing for Mrs M, so I'll explain why.

### *Chargeback*

The chargeback process is a voluntary one – customers are not guaranteed to get money refunded, and there are strict scheme rules in place by the card schemes which govern chargebacks. In general terms, the chargeback can provide a refund where a customer has bought goods or a service which isn't provided or is not what was advertised. So – that isn't the case here, as the flights were taken.

This was an authorised payment made by Mrs M, and I can see that Santander did what it could to try and get a refund. In these cases, evidence is taken from the merchant who received the payment – the flight company, which is genuine. However, the evidence shows that the flight was for a different country to what Mrs M thought she had bought and was used. So, while I understand that Mrs M and her husband were tricked into purchasing the flight for someone else, the service or goods that Mrs M bought had been provided.

### *Scam claim*

In broad terms, the starting position at law is that banks and other payment service providers (PSP's) are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And I have taken that into account when deciding what's fair and reasonable in this case.

Mrs M authorised the payment in question here – so even though she was tricked into doing so and didn't intend for the money to end up in the hands of a scammer, she is presumed liable in the first instance.

But this isn't the end of the story. As a matter of good industry practice, Santander should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: banks had (and have) obligations to be alert to fraud and scams and to act in their customers' best interests, but they can't reasonably be involved in every transaction

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider Santander should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

Having considered the payment that Mrs M made, I don't think that it was sufficiently unusual or suspicious enough for Santander to have had any concerns that Mrs M was falling victim to a scam – the payment was not for a large amount of money and was going to a genuine travel agent. And, in any event, even if Santander had blocked the payment, I don't think that Mrs M would have told it anything that would have uncovered the scam as she would have confirmed that she was purchasing a flight and was making the payment herself.

I am very sorry that Mrs M has lost her money to a cruel scam – but the loss has been caused by the scammer, not Santander, and I can't ask it to refund her when I don't think it has done anything wrong.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or

reject my decision before 17 January 2025.

Claire Pugh  
**Ombudsman**