

The complaint

Mr C says Santander UK PLC (“Santander”) refuses to refund him for transactions on his account he says he didn’t authorise.

What happened

The facts of this complaint are well known to both parties, so I won’t be repeating these in detail here.

Mr C says over 140 transactions were debited and credited from his account between 1 April and 9 April 2024, which he says he didn’t make or consent to. These payments were all made to or received by online gambling websites. Mr C says he had no knowledge of these payments until he received a SMS stating he was in his overdraft on 10 April 2024. He says Santander should have flagged the volume and frequency of the transactions as suspicious, and as they were unauthorised it should refund all the transactions in dispute.

Santander says it believes Mr C is responsible for the transactions so he should be liable for them. It says it reached out to the merchants in question and they confirmed the betting accounts were opened in Mr C’s name using his personal details. It also says there is no way a fraudster would be able to benefit from any gambling made in Mr C’s name, so there would be no point in any third party carrying out such fraud. Santander says it did flag and block some of the transactions, but the majority were of relatively low value, and to known payees, so they weren’t treated as suspicious.

Our investigator considered this complaint and decided not to uphold it. Mr C didn’t respond, 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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail, than has been provided. I’ve focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I’m satisfied that I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

Where there’s a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I think is more likely to have happened, in light of the available evidence. This is a fairly balanced case, and there is contradictory evidence which I’ve had to weigh up to come to a fair outcome,

The rules state a consumer should only be responsible for transactions made from their account that they've authorised themselves. Mr C has said they didn't give any permission for the transactions in dispute to be made but Santander believes he did. My role then is to give a view on whether I think Mr C more likely than not authorised the transactions, based on the evidence I have available.

The transactions were all made online using Mr C's card details including the card number, the expiry date and the CVV number. There is evidence that suggests Mr C's PIN would've been used, but I'm not persuaded this was the case, so I haven't made a finding on whether Mr C's PIN was compromised or not. However, Santander says it received a response from the gambling companies in question, and they have confirmed that they had accounts opened in Mr C's name using his full name, date of birth and address. So, whoever completed the transactions in dispute would've had access to all the information relating to Mr C's card, as well as these personal details. But that doesn't necessarily mean that they were made by Mr C.

The transactions were all made to betting companies online and Mr C says he has never opened accounts with these companies. However, I have seen evidence that he has made some payments to one of the two companies previously in July 2022. So, I think it's likely he had set up an account with them at this point. Santander has also provided evidence that this was already set up as a known payee when the disputed transactions commenced in April 2024. So, despite what Mr C has said, the evidence persuades me that he has used at least one of the two companies before for online gambling.

Mr C raised a dispute about the incoming transactions as well as the outgoing transactions to these companies. I assume the incoming transactions were paid as "winnings" from the gambling activity. The fact that Mr C has also disputed the incoming payments doesn't persuade me he wasn't responsible for them. In fact, it seems there would be no reason for a third party to make these payments as they don't stand to benefit financially from them. So essentially there is no reward for the risk taken of carrying out the fraud. It is also not typical for us to see fraudsters gambling from a victim's account, had someone else had the ability to make online transactions from Mr C's account we would expect them to use this facility for their own financial gain.

Mr C says Santander should've flagged the transactions as suspicious and blocked them when it didn't receive a response to the one-time passcode it sent him. Usually we would expect large payments, perhaps international payments, or payments significantly out of character to be flagged. The payments in dispute were individually for relatively low sums and there had been gambling activity on the account in the past. I do agree that the volume of payments was higher than Mr C's usual spending, but there were no other indications that the transactions were fraudulent – like incorrect details being entered online or logins from another country. So, I don't think Santander did anything wrong by not blocking these transactions.

I know this outcome will come as a disappointment for Mr C, but for the reasons outlined above I think it is fair to hold Mr C liable for these transactions. Even though the evidence is incomplete and contradictory in some areas, based on the evidence available it seems more likely than not that he is responsible for them. So, I am not asking Santander to refund any of this money.

My final decision

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

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

reject my decision before 18 April 2025.

Sienna Mahboobani
Ombudsman