

The complaint

Mr S complains Santander UK Plc didn't do enough to protect him when he fell victim to a scam.

What happened

Mr S has accounts with Santander along with a debit card and a credit card.

Mr S says he was looking for flights online when he saw an advert for a travel agency he'd booked tickets with before. The advert was offering cheaper than normal flights. Mr S says he clicked on the advert and spoke to an agent who offered him a flight for £741 which he went ahead and booked. Mr S says that when he tried to book the flight his debit card got declined as did his credit card when he tried it. He says he ended up speaking to Santander to find out what the problem was, and that Santander told him that there weren't any blocks on his account, and that he should try the payment again.

Mr S says he was able to authorise the payments after speaking to Santander but then noticed that two payments had gone out and another five were pending. So, he called Santander again to say that only one payment was meant to go out. Ultimately all seven payments ended up debiting Mr S's account, and Mr S realised that he'd been scammed. He called Santander asking for his money back.

Santander looked into what had happened and said that it wouldn't be able to refund him as he'd authorised the payments. Mr S complained and ultimately brought his complaint to our service.

One of our investigators looked into Mr S's complaint and said that Santander hadn't acted unfairly holding Mr S liable. Mr S was unhappy with our investigator's recommendation and asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

Earlier on this month I issued a provisional decision in which I said:

"Having reviewed this file, I spoke to Santander as I thought its agents had missed an opportunity to uncover the scam that Mr S appears to have fallen victim to. I asked Santander if it would be willing to consider refunding Mr S – and sent a copy of a similar decision I'd done – but it declined to do so. Santander said that it had interrupted the payments to obtain confirmation from Mr S that he was authorising the transactions which he then proceeded to do via in-app. Santander said that there was a responsibility on Mr R to ensure he reviewed where the payments were going to before he authorised them. Santander also said that before he authorised the payments there would have been a warning message informing him that the card payment wasn't going to the travel agent but to a money transfer service.

I accept that there was a responsibility on Mr S to check the payment he was authorising was going to the right place. However, I don't agree that this means Santander didn't do anything wrong in this case. I can see that Santander blocked the payments that Mr S attempted to make to what he believed was the same travel agent he'd dealt with the year before, and I'm satisfied that Santander did so because its systems detected that the payments might be fraudulent. That meant that Santander ended up speaking to Mr S at the time – he called to find out why his payments had been blocked. I've listened to the calls that Mr S made and having done so I'm satisfied that he told Santander that he was paying a well-known travel agent for cheap airline tickets. I'm satisfied that the agent could see that the payment Mr S was trying to make wasn't, in fact, a payment to that travel agent and instead was a payment to a money transfer service. Mr S told Santander that he'd found these "cheap" tickets online. In other words, I'm satisfied that Mr S mentioned all of the hallmarks of what is a common scam to the agent. In the circumstances, I'm of the view that the agent should have warned Mr R that the payments he was trying to make might well be a scam, and that the agent should have asked him more questions before unblocking the payments and telling him to authorise them. Had the agent done so, I'm satisfied that Mr S wouldn't have gone ahead and made the payments."

Both parties were invited to respond to my provisional decision. Both did. Mr S accepted. Santander said that the fairest way to settle Mr S's complaint was for it to reimburse 50% of the disputed payments in order to bring the matter to a close. Santander noted that I'd said there was an element of responsibility on both parties to ensure the payment was going to the right company. Santander offered a 50% refund. I put that offer to Mr S. He declined it.

I did say in my provisional decision that I accepted that there was a responsibility on Mr S to check the payment he was authorising was going to the right place. But that's not the same as saying that Mr S was, for example, so negligent that a deduction for contributory negligence should be applied – or that a 50% deduction should be applied. I don't agree that such a deduction would be fair or appropriate in this case.

Putting things right

Having reconsidered everything again, I remain of the view that the outcome in my provisional decision is fair. So, that's what I'm going to require.

My final decision

My final decision is that I'm upholding this complaint and require Santander UK Plc to refund the seven transactions that Mr S has disputed. That should be done by reworking Mr S's accounts and refunding any fees, charges or interest he has incurred as a result. In addition, Santander UK Plc should remove any adverse information – if any – it has recorded as a result of these disputed transactions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 December 2024.

Nicolas Atkinson
Ombudsman