

The complaint

Miss S complains Santander UK Plc unfairly closed her account following transactions were made on her account she didn't recognise.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

On 19 and 20 July 2024, Miss S says two ATM transactions were made for £300 and £270 from her account using a cash machine in East London. Miss S says she didn't make the transactions and was at home at the time they were made.

Miss S reported the transactions to Santander on 20 July 2024. Miss S told Santander that she was still in possession of her bank card and that she hadn't told anyone her PIN or written it down anywhere. She explained that her social media account had been hacked, and someone had set up other accounts, including loan accounts in her name. So, she said she was the victim of fraud. And asked Santander to refund the ATM transactions.

Following this Miss S looked through her bank account statements and noticed a series of transactions amounting to around £3,000 that had been made without her knowledge. These had been made since 14 July 2023. The transactions were a mixture of card and non-card payments, incoming and outgoing payments, cash deposits and ATM withdrawals and transfers to Miss S's other accounts.

I won't be listing the disputed transactions as both parties are aware of which transactions are in dispute.

Santander reviewed Miss S' account and her comments and made the decision to close her account immediately – it wrote to Miss S in July 2024 confirming this and that the account remained blocked.

Santander also looked into Miss S's fraud claim and decided not to refund the disputed transactions. In summary the bank said:

- The transactions were made using Miss S's genuine bank card and PIN.
- There was no plausible explanation for how an unknown third party was able to become aware of Miss S's PIN which was needed to conduct the disputed transactions.
- Miss S was still in possession of her bank card when she reported the disputed transactions.
- Miss S should contact the police for further investigation and offer its assistance if the police need.

Miss S wasn't happy with Santander's response. She maintained she never made the

transactions. And that someone else has managed to obtain access to her bank account. So, she didn't understand why Santander weren't willing to give her back the money she says was stolen from her account. She wants Santander to refund her the money she says she lost, reopen her accounts, apologise and pay her compensation. So, she brought her complaint to our service.

One of our investigator's considered Miss S's complaints. They said Santander hadn't treated Miss S unfairly.

Miss S disagreed with what the investigator said. She said she didn't carry out the transactions and Santander should have obtained CCTV footage to find out who carried out the transactions. She said up until recently she was in possession of her bank card and had only just cut it up to dispose of it.

As no agreement could be reached the complaint was referred to me – an ombudsman – 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.

I appreciate Miss S was disappointed by the Investigator's opinion. I'd like to reassure Miss S that I've considered the whole file and what she has said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No courtesy is intended by me in taking this approach – it simply reflects the informal nature of our service as an alternative to the courts.

Disputed transactions

Santander closed Miss S' account after they investigated Miss S's fraud claim. Miss S says she wasn't responsible for the disputed transactions because her account had been compromised. So, in order to determine if Santander acted fairly, I need to first consider whether Santander acted fairly when they held Miss S liable for the disputed transactions.

From what's been said and provided so far, there's not much common ground about exactly what happened or how it might have happened. Where the evidence is incomplete, inconclusive or contradictory (as it is here), I reach my findings on balance – in other words, what I consider is more likely than not to have happened in the light of the available evidence and the wider circumstances.

Miss S has said that she was still in possession of her bank card, never wrote down her PIN and hasn't shared this with anyone. She's also said she hasn't given anyone access to her bank account. Overall, she has denied knowing anything about the disputed transactions and has stated that her account had been hacked.

The relevant law surrounding authorisations are the Payment Service Regulations 2017. The basic position is that Santander can hold Miss S liable for the disputed payments if the evidence suggests that it's more likely than not that she made them or authorised them, but Santander cannot say that the use of the card alone conclusively proves that the payments were authorised.

Unless Santander can show that consent has been given, it has no authority to make the payment or to debit Miss S' account and any such transaction must be regarded as unauthorised. To start with, I've seen the bank's technical evidence for the disputed transactions. This includes details of how the payments on 19 and 20 July 2024 were made and authorised. The information presented by Santander shows that the transactions were authenticated using Miss S' card and the credentials issued to Miss S.

Miss S says she was in possession of her card at the time, and she hadn't provided her details to anyone else. In order for the payments to be made the card and security details for the card would've both been required. Miss S says her account was hacked and this is how the transactions were made, but I can't see any evidence of this. The dates of the evidence submitted by Miss S don't align with when the disputed transactions took place. Further, I can't see that Miss S' account details were amended in any way and the technical data from Santander doesn't show sign of an account take over at the time the transactions took place. This means the evidence doesn't support Miss S' assertions, and I'm not persuaded by her comments.

Santander have shown the ATM transactions are chip and PIN. The chip on a card cannot be cloned so Miss S's genuine card was used. The withdrawals were therefore carried out by someone who knew the PIN and was in possession of the genuine card. Miss S explained the card which she keeps in her purse, is still in her possession until when she recently destroyed it and it hasn't been misplaced. Even if the card was taken without consent and returned, Miss S told us the PIN has never been shared and was not written down. There were no recent transactions made to indicate someone could have shoulder surfed and thereby gained her PIN for use with the card.

The only reasonable conclusion therefore is that the withdrawals were made by Miss S or someone she shared her PIN with, as there's been no PIN compromise. I'm persuaded these withdrawals were more likely than not, authorised, and based on what I've seen, I'm satisfied Santander haven't done anything wrong.

Disputed transactions totalling £3,000

Miss S looked through her statements and saw additional transactions totalling £3,000 which she didn't recognise. These transactions are a mixture of card and non-card payments, incoming and outgoing payments, cash deposits into and ATM withdrawals from the account and transfers to Miss S's own accounts since 14 July 2023.

Miss S says scammers have been able to access her banking and her funds and have made transactions without her knowledge and from unfamiliar locations.

Having looked at all the evidence I'm persuaded that Miss S was more likely than not aware of these additional transactions. I say this because whilst I appreciate she says she didn't make the transactions and so didn't authorise these payments. Santander have shown that Miss S's statements are posted monthly to Miss S at the address she provided to our service. I've also seen evidence that shows Miss S was logging on to her online banking regularly.

These disputed transactions had been ongoing since 14 July 2023. I've not seen any evidence that unknown devices had been registered or accessed Miss S's account. Given the frequency, the fact that there were undisputed transactions in between the disputed transactions and there were transactions in which her genuine card was used, it's difficult to understand how Miss S hadn't noticed them especially as she'd been logging into her mobile banking and was funding the account around the time these transactions occurred.

Based on the above if Miss S didn't accept that these transactions were genuine then I think it's reasonable to conclude that she should have disputed them sooner and shown how her card which is in her possession until shortly before she referred the complaint to our service was used and returned so many times. I therefore think its most likely Miss S consented to and so authorised the transactions she's now disputing.

I've also considered the type and frequency of the transactions, which isn't typical of fraud. Usually, fraudsters who have access to someone's card and PIN will make full use of the facility as quick as possible, to extract as much money as they can before the owner realises someone else has used his card without consent. These transactions are spread over more than a year. So, it seems unlikely these transactions were made by a fraudster.

I also find it quite unusual that a fraudster would go to the trouble of accessing Miss S's other bank account and move money from it, to another of her accounts in order to then make a number of withdrawals. Usually, a fraudster will try and maximise the usage of an account in order to get the greatest benefit from the account before the account holder notices their funds are missing and the card is cancelled. But this didn't happen. Instead that person appears to have been confident they'd be able to access the account for more than a year.

I've also kept in mind that no further transactions were made or attempted after Miss S reported the fraud, which again is unusual for fraudulent activity and suggests to me that whoever was using the card knew it had been cancelled – from the evidence I've seen the only person aware of this information was Miss S. I also think it's quite telling that Miss S only contacted Santander after the last disputed transaction was made.

Miss S has said that Santander should have recovered CCTV. And had they done so it would have revealed that Miss S hadn't carried out the transactions. But banks only keep CCTV for a relatively short time, so it's rarely useful in disputes like this. Even if a transaction is made by a third party, it's always possible an account holder has asked someone else to carry out the transaction on their behalf. So, CCTV would be very unlikely to help with the outcome here.

After carefully reviewing the technical data, the details provided by Miss S don't support the premise that these transactions were carried out by a third party. Based on the evidence I've seen I don't think it's plausible that these transactions were carried out by someone else. Rather the information supports Santander's position that Miss S provided authority for the transactions. So, I'm satisfied it was more likely than not that Miss S was responsible for transactions that were reported as fraudulent.

Following Miss S reporting fraud on her account, Santander decided I no longer wanted to provide banking services to Miss S. Santander wrote to Miss S in July 2024; to let her know it would be closing her account in 30 days. During the notice period Santander blocked Miss S's accounts. So, I consider Santander closed Miss S's account immediately, since she wasn't able to use her account.

For Santander to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence, including the information that Santander has shared with our service, I'm satisfied that Santander did. So, it was entitled to close the account as it's already done and end its relationship with Miss S. This means I won't be asking Santander to reopen Miss S's account.

In summary, I appreciate Miss S will be disappointed with my decision, but I am satisfied Santander acted reasonably in its handling of Miss S' account. I hope my decision provides some clarity around why I won't be asking Santander to take any further action.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 5 November 2025.

Sharon Kerrison
Ombudsman