

The complaint

Mrs M complains Santander UK Plc (Santander) won't refund transactions made from her account which were not authorised.

Mrs M is represented in this complaint by her son and daughter-in-law. Mr and Mrs M1.

What happened

On 18 February 2019, Mrs M appointed her son, Mr M, as her Enduring Power of Attorney (EPOA). Mr M was given general authority to act on her behalf when it came to matters relating to her property and affairs.

Mr and Mrs M1 alleged that between 2020 and 2024, transactions amounting to around £50,000 were fraudulently made from Mrs M's account by her younger son – Mr M's brother, who I will refer to as 'C' - without Mrs M's prior consent or knowledge. These included a combination of cash withdrawals and payments to various merchants.

Mr M says the issue was brought to his attention when he received a letter to attend a branch for a general review of Mrs M's account. A subsequent request was made for account statements on the account going back in time, and a number of transactions were identified as fraudulent. They said they did not understand how Santander did not pick up on the account activity and that it failed to make them aware about what was happening. They raised concerns with Santander and the police.

Santander reviewed the matter but in doing so did not agree that it had done anything wrong. It said the transactions had been made using both the account card and Mrs M's unique Personal Identification Number (PIN) and its fraud detection system would not have picked up any transactions, which they said fell in line with the accounts usual spending patterns. So, Mr and Mrs M1 referred the complaint to our service for consideration.

The investigator considered the circumstances. She said, that as Mrs M had provided authority to C to use her card and PIN and given the spending on the account wasn't considered unusual, she did not think Santander had been unfair in holding Mrs M liable for the transactions.

As Mr and Mrs M1 didn't agree, the complaint's been passed to me to decide.

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 agree with the conclusions reached by the investigator for broadly the same reasons. I'll explain why.

The relevant regulations here are the Payment Services Regulations 2017 (PSRs). Broadly speaking, Santander can hold Mrs M liable for the disputed transactions if the evidence suggests that she made or authorised the transactions. Or if the transactions were made

with the apparent authority of Mrs M. So, I've taken that into account when deciding what is fair and reasonable in this case.

Mr and Mrs M1 have confirmed that there were two cards on the account. They had one in their possession, and the other card was originally with Mrs M, but later known to be in the possession of C.

They claim that Mrs M's debit card was used by C without her consent to withdraw money from the account, sometimes as frequently as a number of consecutive withdrawals being made over a number of days. But they've also said that they were aware that C had Mrs M's card and PIN, and that they knew that he was withdrawing money from her account because C had disclosed this information to Mr M in the past. But although use of the card was not prohibited by Mr M at the time, they state they did not realise the extent of how much he had taken.

So, I'm satisfied given what Mr and Mrs M1 have shared, that there doesn't seem to be a dispute that the genuine card and PIN were used to make the disputed withdrawals and that C was in possession of Mrs M's card. So, what remains for me to decide is whether Mrs M consented to all the transactions that Mr and Mrs M1 are now disputing as unauthorised.

According to the PSRs, if someone gives another third party their card and PIN, this means that party can make transactions as though they are the cardholder themselves. And in these circumstances the cardholder can be held liable for any transactions made by the other party, even if the cardholder did not give permission for specific transactions to be made or know about them.

I can see that Mr and Mrs M1 have presented bank statements from 2020 through to 2024 highlighting the transactions which they claim were made without Mrs M's consent, which they say total over £50,000. They've also mentioned that as Mrs M is in a care home and suffers from dementia, she does not know what has happened. The money in her account, which includes her pension which continues to be received, goes towards paying for this care.

Mr and Mrs M1 mention that the matter only came to their attention when Mr M received a letter from Santander inviting him to attend a branch for a general review of Mrs M's account. And it was only after this meeting, once the account statements had been reviewed, that they noticed that a large sum of money had been withdrawn from her account.

Subsequently, I understand that concerns were raised with Santander as to why they had not flagged the withdrawals with Mr M, and Mrs M's card was stopped so that C no longer had the ability to withdraw money from the account.

Santander has said that monthly account statements were sent to Mr M's address over the period in question, and that all communication was set up to be received as mail. Mr and Mrs M1 have also acknowledged that they received the account statements but say that they did not pick up on the account activity or the unauthorised transactions. They feel that it should have been something that Santander should have highlighted to them and that it failed in doing so.

I can appreciate that it would have been concerning for Mr and Mrs M1 to discover the extent of the withdrawals made on Mrs M's account. And I understand why they think Mrs M would not have realised that C was withdrawing money without her consent - especially considering she was living in a care home, and her condition had deteriorated. But it is important to point out that although Mrs M may have provided C with consent to do so knowingly, whilst she was still able to make such decisions, Mr M, in his position as EPOA,

was also aware that C had possession of Mrs M's card and that he was using it to withdraw money from her account.

The PSR's say that a consumer is only entitled to a refund for unauthorised transactions if they report them to their bank without undue delay, and no later than 13 months after the transaction took place. So, the expectation is that a consumer would be expected to manage their account effectively, and if they notice a transaction which they don't recognise to report it without delay.

As already mentioned, Mr M was also acting on behalf of his mother as EPOA and on taking on this role he had a responsibility to ensure that he was acting in his mother's best interests when it came to matters relating to her account. So, this position reasonably extended to him making sure that his mother's account was in order. Given that the transactions disputed, took place over a four-year period, and statements were being issued throughout this time, and received, it's fair to say that ultimately Mr M also had a responsibility to make sure he was reviewing these statements on a regular basis to make sure Mrs M was not being disadvantaged in any way. Had he done so, I'm satisfied it's likely the matter would have been picked up sooner.

Here it's alleged C withdrew money for himself from the account. But since he was only able to do that because Mrs M had handed over her card and PIN, and in doing so gave C authority, it follows that she would be liable for any transactions made by C. So, I am satisfied Santander has acted unfairly by refusing to refund these transactions to the account as Mr and Mrs M1 would like.

Mr and Mrs M1 state that Santander ought to have picked up on the difference in spending on the account and did not alert them. So, I've considered the transactions that have been highlighted in more detail. I acknowledge why Mr and Mrs M1 think they were out of character for the account, given Mrs M was in care, but considering the amounts withdrawn, and that the transactions were mostly made a few days apart and over a period of around four years; I don't think this pattern of use - which would have become usual activity for the account over the years, was significantly out of character in that Santander ought to have intervened in the payments. But either way, I don't think this makes a difference to the overall outcome of the complaint.

I accept that it has been distressing for Mr and Mrs M1 to discover the amount of money that has been withdrawn from Mrs M's account. But ultimately, it seems that situation has come about because C has allegedly made transaction on the account that he wasn't supposed to make and denies any knowledge of. I also appreciate what Mr and Mrs M1 have said about it being Mrs M's intention to leave her money to various members of the family and that C was aware of her wishes and so took more than he should have. But here I am only able to consider the actions of Santander and whether they have acted fairly when considering this matter.

I understand this will be disappointing for Mr and Mrs M1 to hear. But while I am sorry to hear about what's happened, and the overall impact this has had on the family. I don't find Santander have been unreasonable or unfair to Mrs M.

My final decision

For the reasons I've explained, 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 November 2025.

Sukhdeep Judge
Ombudsman