

## The complaint

Mr M complains that Santander UK Plc didn't do enough to protect him from a scam, or to help him recover the money once he had reported the scam.

## What happened

The background to this complaint is well known to both parties, so I won't repeat it in detail here. But, in summary, I understand it to be as follows:

Mr M was looking online for airline tickets. He said he came across what he thought was the official website for an airline (which I'll refer to as 'T'), so he called the number. The caller said they were the travel agents for T and would help him order the tickets. Believing this to be a legitimate travel agent, Mr M went ahead and made the following payments to secure his flights:

Date	Amount
15 January 2024	£736.99
15 January 2024	£449.99
15 January 2024	£110.99
19 January 2024	£111.00
<b>Total loss:</b>	<b>£1,408.97</b>

Mr M said when he received the tickets he was suspicious about why he had to pay in four separate instalments, so he called T to confirm the booking, only to be told the booking didn't exist. Mr M then called the number which he had used to book the tickets and he was told he had been scammed. Mr M reported the matter to Santander.

Santander declined Mr M's claim and said, as he had authorised the payments on the instruction of a third party without completing sufficient due diligence checks, he was liable for the loss on his account. However, Santander informed Mr M a dispute chargeback had been raised for '*goods and services not received*' in an attempt to recover the funds. Mr M was later informed the chargeback had been unsuccessful as the merchant(s) had said the service was provided / was available to use – in other words, someone else had used the airline tickets purchased.

Mr M wasn't happy with that response and so he referred his complaint to this service. An Investigator looked into things but didn't think the complaint should be upheld. In short, she said:

- The payments weren't particularly unusual or suspicious in appearance to Santander considering Mr M's normal account activity.
- The payments were to genuine merchants and the value of the transactions were not unusually high considering the payment was to purchase a holiday.
- The payments were authorised using the mobile app on Mr M's device.
- Even if Santander did intervene, it's unlikely that the scam would have been uncovered.

- Chargebacks were successfully defended as the merchants were able to provide evidence of the service being provided – albeit not to Mr M.

Mr M disagreed, with the outcome and said he was unhappy the payments were initially refunded and then taken back.

As no agreement could be reached the matter has been passed to me to make 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.

Having done so, I've reached the same outcome as our Investigator, and for the same reasons.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (in this case, the 2017 regulations) and the terms and conditions of the customer's account. As Mr M authorised the payments, albeit under the guidance of the scammer, he is presumed liable in the first instance.

Because of this, Mr M is not automatically entitled to a refund. But the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

Considering the value and nature of the payments, in the context of Mr M's typical account usage, I don't think there was enough reason for Santander to suspect that Mr M might be at risk of financial harm from fraud. The payments to legitimate businesses were comparable to how Mr M usually used his account – so I don't think it was wrong for Santander to process the payments without intervening (as it wasn't unusual or out of character activity). Nor did the payments deplete Mr M's account balance or take him overdrawn, which can be potential indicators of fraud or a scam.

Because of this, even though I accept Mr M was the victim of a scam, I don't think Santander had reason to suspect he was potentially falling victim to a scam. And so, I think it was reasonable for them to process the payments upon receiving his instruction(s).

### **Recovery**

I've considered whether Santander could've done more to recover the money once Mr M reported the scam. It raised a chargeback dispute, which was the right step in the circumstances. Chargeback is a voluntary scheme operated by the card networks – in this case, Mastercard – and it provides a way to resolve disputes between cardholders and merchants. However, the scheme has strict rules and limited grounds for challenging a transaction. In Mr M's case, the merchant defended the chargeback by saying that the airline tickets had been provided and were available to use. While I understand Mr M didn't intend for someone else to benefit from the booking, technically the merchant had fulfilled the terms of the contract.

In addition to the point Mr A made regarding the money being credited and then taken back. Santander provided him with a letter when the chargeback claim was raised, which mentioned *“this was a provisional payment while we try to get your money back from the company”*. In addition, they said: *“if you lose your claim, we may need to take back the provisional payment we’ve paid into your account. If this happens, we’ll let you know before we take the money from your account.”* This was followed by a letter dated 12 April 2024, when the claim was unsuccessful, and Santander said the amounts will need to be removed.

I understand Mr A’s frustrations; however, Santander were clear in explaining this was a provisional payment once they waited for a response on the chargeback claim. There is no doubt that Mr M was the victim of a scam, but that does not mean that Santander is responsible for his loss.

I appreciate that this will be very disappointing for Mr M, and I can entirely understand why he feels the way he does, but with all I’ve seen I don’t consider that I can fairly say Santander should be held liable for Mr M’s loss, or that it could have done more to recover his funds.

### **My final decision**

For the reasons I’ve explained above, I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr M to accept or reject my decision before 18 July 2025.

Israr Ahmed  
**Ombudsman**