

The complaint

Mrs J has complained that Santander UK Plc won't refund the money she lost after falling victim to a scam.

What happened

Both sides are most familiar with the case, so I'll summarise things in brief.

Mrs J looked up a travel agent to book a holiday. Unfortunately, the link she clicked was faked, and sent her to a scammer's site which masqueraded as the travel agent's site. After some discussions with the scammer, Mrs J paid around £2,000 across two payments on the scammer's instructions, thinking she was paying towards her holiday.

The scammer sent Mrs J a confirmation email, but she noticed a key discrepancy. She contacted the real travel agent to ask about her booking, and found out she'd been scammed. Essentially, the scammer had tricked her into paying for flights for other people.

Santander raised a chargeback with the merchants for Mrs J, though this took time as they needed evidence from her. But the chargeback was unsuccessful, as the payments had been authorised and the merchants had provided the flights they were paid to provide. Santander said that they'd tried their best and followed the chargeback process, and that they weren't otherwise liable for the payments.

Our Investigator looked into things independently and didn't uphold the complaint. Mrs J asked for an ombudsman's review, so 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.

I understand that Mrs J fell victim to a cruel scam, and so she has my sympathy. I appreciate the scammer caused her a lot of stress, and I appreciate why she would like her money back. It's worth keeping in mind that it's the scammer who's primarily responsible for what happened, and who really owes Mrs J her money back. But I can only look at what Santander are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Santander liable for Mrs J's loss. I'll explain why.

It's not in dispute that Mrs J authorised the payments involved. So although she didn't intend for the money to end up paying for a scammer, under the Payment Services Regulations she is liable for the loss in the first instance. And broadly speaking, Santander had an obligation to follow her instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Santander should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. I've thought carefully about whether Santander should have done more in Mrs J's case.

However, I don't think the payments involved were so unusual or out of character that Santander needed to intervene. While I appreciate this was not an easy amount to lose, the payments were not so unusually large as to be of particular concern, especially when Mrs J had made similar or significantly larger payments in the preceding period. The payments went to established travel agents, and it's not unusual for customers to occasionally make larger payments for holidays – indeed, that's what Mrs J had really wanted to do in the first place. And Mrs J authenticated the payments securely in her app, where she was shown the merchant names and amounts involved so she could confirm or cancel them, which would've given Santander confidence that she was intentionally making these payments.

I appreciate that Mrs J would've liked Santander to stop or reverse the payments once she reported this as a scam. But by the time she reported the matter, the payments had already gone through and it wasn't possible for Santander to stop or reverse them. As these were card payments, they weren't covered by the CRM Code for scams either.

Santander did try a chargeback, to try to help Mrs J get her money back. That was the most appropriate thing they could do. Chargebacks are voluntary, so Santander didn't strictly have to try one, though it's often good practice to try. Unfortunately, it was never realistically likely that this chargeback would succeed. The chargeback was a claim against the merchants (the real travel agents), not against the scammer. And the merchants provided the services they were paid to provide. While those services were provided to the scammer, the merchants didn't know Mrs J had been scammed at the time. People can and do book flights for other people. Meanwhile, the payments the merchants took were properly authenticated and Mrs J accepts she made them. Essentially, chargebacks can only succeed for specific reasons, under strict rules set by the card scheme. And there wasn't any chargeback reason which reasonably covered this particular situation. So it didn't succeed.

I don't see that Santander unfairly delayed the chargeback or caused it to fail because of any misinformation. From what I can see, they were waiting for Mrs J to send them evidence. I do appreciate that this was inconvenient for Mrs J to provide. But Santander needed to gather such evidence to give her chargeback the best chance of success. Ultimately, they were trying to help her. The chargeback wasn't turned down because of any failure on Santander's end, it was turned down on its own merits, as discussed above. And there was nothing more that Santander could've reasonably done to get the money back.

I do appreciate that the scam caused Mrs J a great deal of trouble and distress, and I'm grateful to her for being open and candid with us about how she's felt. But I've found that it's the scammer who's really responsible for that, rather than Santander. I've not found that Santander did anything substantially wrong here.

So while I'm very sorry to hear about what the scammer did to Mrs J, I don't think Santander can fairly be held responsible for her loss. And so I can't fairly tell Santander to reimburse Mrs J in this case.

My final decision

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

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 14 August 2025.

Adam Charles
Ombudsman