

The complaint

Mr P says Santander UK PLC (“Santander”) refuses to refund him for unauthorised transactions on his account.

Mr P appointed representatives to assist him in bringing his complaint. However, to keep things simple I have referred to “Mr P” throughout my decision, even when referring to submissions made by his representatives.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail.

In short, Mr P says he was on a night out with friends when he got separated from the group. He woke up the next morning with no memory of what happened after he got separated and discovered there were unauthorised transactions on his account. There were three transactions Mr P doesn’t recall authorising on 13 September 2024, for a total amount of £810. Mr P has asked Santander to refund these transactions as he says he didn’t authorise them. Mr P says these events have been extremely traumatic for him and he is not happy with how the bank has treated him.

Santander says it considered all the evidence available and decided not to uphold his complaint. It says the evidence shows he logged into his online banking to make the payments in dispute and authorised them with a passcode only Mr P should’ve known. So, it says it is fair to hold Mr P liable for these payments.

Our investigator considered this complaint and felt it wouldn’t be fair to ask Santander to refund the transactions in dispute. Ultimately, he felt the evidence showed it was more likely than not that Mr P authorised the transactions, so no refund is due. Mr P wasn’t happy with this outcome, so the complaint has been passed to me 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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail, than has been provided. I’ve focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I’m satisfied that I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

I would also like to set out that our Service was set up to informally resolve disputes when things go wrong. But we were not set up to punish financial providers for any wrong doings and we cannot instruct them to change their products or processes. We also cannot force a business to make offers or awards or to pay back any money unless the relevant laws,

regulations or industry practices determine that that the bank has done something wrong.

Generally speaking, Santander is required to refund any unauthorised payments made from Mr P's account. Those rules are set out in the Payment Service Regulations 2017. And in these Regulations, an authorised transaction is one which was correctly authenticated and was consented to by the payment service user (Mr P). Mr P has said he didn't carry out the transactions in dispute, nor did he consent to them. But Santander thinks he did. So, I have to give my view on whether I think Mr P authorised the transactions or not.

Firstly, I would like to say I am sorry to hear of the traumatic events that Mr P says took place on the night of 12 September 2024 and the morning of 13 September 2024. I can understand how the events as described must have been distressing, and I am sorry to hear this happened to him. And to be clear, nothing I set out here in my decision is with any intention to discredit Mr P or to take away from the how terrible these events must have been.

Santander has provided evidence to show that the transactions in dispute were faster payments carried out through Mr P's banking app. The evidence shows his app was logged into using his biometrics, and the account details and sort code of the payee were entered. It shows the transaction was authorised using a passcode which had been set up previously. This evidence shows the transaction was authenticated using a method and procedure outlined in the terms and conditions of his account. So, I am satisfied the payments were correctly authenticated. However, the most important consideration in this case is whether Mr P consented to the payments or not.

While I have sympathy for Mr P's situation, I have to apply the principles of the Payment Services Regulations 2017 to decide if Santander should be held responsible for these payments. Within the regulations it states that consent must be given in accordance with an agreed procedure between the payer and the payment service provider.

The rules relevant here set out that consent is objective test and it doesn't depend on the consumer being fully aware of the details of the payment at the time they completed the procedure for giving consent. This means that if a payee has been coerced into making a payment or deceived about the purpose or amount of a payment, that doesn't usually make the payment transaction unauthorised. Where a consumer says they were drunk or drugged so couldn't appreciate what was happening – this also doesn't make the transaction unauthorised.

Mr P hasn't been able to clearly tell us what happened that night. He thinks his drink might have been spiked, and he also thinks he might have been threatened. But as I've outlined above, neither of these circumstances renders his consent invalid as per the Regulations. The payments were verified using a Mr P's passcode which was set up on his account previously, and if he entered this while under the influence of the drugs he'd been given, or while being held under threat, this doesn't change the fact that he did authorise the payments.

Mr P has provided extensive evidence from the police in support of his complaint. While I have seen that the police are investigating this incident and have questioned suspects in relation to the crimes it believes took place – this investigation is separate to our investigation, and any remedy Mr P receives from the police is likely to be from the beneficiaries the funds were transferred to and not Santander. The police investigation does not consider whether Santander should be held liable for these transactions and the information provided does not change my outcome.

Mr P received a small amount back which Santander said it was able to recover for him.

Mr P feels that this is clear evidence that the payments should not have debited his account, and that Santander should refund the full amounts. Often when payments are disputed a bank can try and recover the funds, as I believe Santander have tried to do here. But this, again, doesn't change what I've outlined above about the transactions being authorised as per the Regulations in place.

I know this outcome will come as a disappointment to Mr P, and while I appreciate what happened to him must have been distressing, I can't say that Santander should refund the payments in dispute as the regulations make it clear that they should be treated as authorised.

My final decision

For all the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 20 October 2025.

Sienna Mahboobani
Ombudsman