

The complaint

Mrs H complains Santander UK Plc won't refund transactions made from her current account she says she didn't make or authorise.

What happened

In 2023, Mrs H bought a tablet for her granddaughter as a gift. She linked her PayPal account (which contained her Santander debit card details) to the tablet at that time, to enable her granddaughter to make purchases for games. Between 23 December 2024 and 31 December 2024, Mrs H's granddaughter made several transactions totalling about £3,000 using Mrs H's debit card details.

Mrs H reported the transactions as fraudulent to Santander on 1 January 2025.

Santander refused to refund them on the basis Mrs H had told it she'd previously linked her PayPal account to the granddaughter's tablet. Following a complaint, Santander still refused to refund the transactions, so Mrs H referred matters to our service.

An Investigator considered the circumstances. She said, in summary, she thought Mrs H had authorised the payments she was disputing because she had, albeit previously, allowed the granddaughter to make payments using her card details via her PayPal account. But she thought Santander should refund some of the transactions because of the value and volume of them. The Investigator recommended Santander refund all the £199 payments that had taken place from 7pm on 29 December 2024 and pay 8% interest on these amounts.

Santander didn't accept the Investigator's findings. It said it didn't think it was obliged to refund the transactions since they were authorised and Mrs H had logged into online banking during the period in question, so ought to have been aware of the transactions.

As Santander didn't agree, the complaint was passed to me to decide.

I issued a provisional decision. I've included my findings below and they form part of this decision.

Provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Under the Payment Services Regulations 2017 ("PSRs"), generally, Santander can hold Mrs H liable for transactions which the evidence suggests she made or authorised.

There appears to be no dispute the transactions were made using the saved details on Mrs H's granddaughter's tablet. Mrs H has told us access was given to her granddaughter on her tablet to her PayPal account, to purchase games, on the understanding that the granddaughter would ask permission before buying anything. Mrs H has told us that, having allowed access to her PayPal account over Christmas 2023, she then didn't remove that

access from her granddaughter's tablet, until after the disputed transactions had been discovered in January 2025.

Under the PSRs, if someone gives another party their card details this means that party can make transactions as though they are the cardholder themselves. This is called apparent authority. And in these circumstances the cardholder can be held liable for any transactions made by the other party, even if the cardholder didn't give permission for specific transactions to be made or know about them.

So in these circumstances, I'm satisfied Mrs H had given apparent authority for her granddaughter to use the card details to make transactions and so, she can fairly be held liable for the transactions.

Generally, financial businesses should follow their customers' instructions in relation to authorised payments and, as I've already explained, I've found Mrs H did authorise the payments in question. However, there are some situations in which a bank should reasonably have looked more at their customers' payments before allowing them to proceed. So I've also considered whether Santander should have intervened in any of these payments.

Our Investigator thought it should have. But, having considered the pattern of transactions, I don't agree.

More than half of the disputed transactions were for less than £100. The larger payments of £199 took place over the course of three days. Three transactions for this amount were made on 29 December 2024 over the course of about five hours. Two transactions for this amount took place 11 hours apart on 30 December 2024. And five transactions of £199 took place over a 15-hour period on 31 December 2024. And I can see from Mrs H's statements that prior to the disputed activity, transactions to the same merchant via PayPal were made using Mrs H's debit card details several times a month. Overall, considering the value of the transactions and the timing of them, I'm not persuaded that these payments should have triggered Santander to intervene.

Mrs H has also said she's unhappy that Santander allowed further disputed transactions to debit her account after she'd reported the fraudulent activity to it. I can see from her statements that further transactions did debit Mrs H's account after her report of the fraud on 1 January, but the transactions had taken place prior to that on or before 31 December 2024. So I don't agree that Santander allowed further disputed payments to be made using her card details after she'd reported the fraud.

While I'm sorry to disappoint Mrs H, I don't intend to find Santander need to refund any of the disputed transactions.

Responses to my provisional decision

Mrs H responded to say she didn't understand why Santander had allowed so many transactions to debit her account. She said this meant she'd had to borrow money to pay bills and the situation had a significant impact on her mental health, for which she now requires medication.

Santander did not respond by the deadline we set.

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'm sorry to hear the impact Mrs H has told us this situation had on her. I do understand why she feels Santander should have intervened in the payments she's disputing, but I set out in my provisional decision why I didn't think it needed to. And, while I accept that Mrs H's mental health was impacted and she was forced to borrow money to pay her bills – this doesn't change my findings that the pattern of the transactions wasn't such that I'd expect Santander to have intervened.

Overall, my findings remain that Santander doesn't need to refund any of the disputed transactions.

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 H to accept or reject my decision before 20 October 2025.

Eleanor Rippengale
Ombudsman