

The complaint

Mr B complains that Santander UK Plc didn't handle his request properly to recover money paid to a scammer.

What happened

In August 2024 Mr B wanted to book some flights and he called a number which he thought was for a known travel agent. He agreed the flights, dates etc. and agreed a price which he paid using his Santander credit card. He paid £1,654.70.

Subsequently he was told that he had been overcharged and he was asked for his bank details so a refund could be made. A few days later he discovered sums had been taken out of his account and no tickets or confirmation were provided. He contacted Santander and the sums taken from his account were returned but not the £1,654.70 paid by credit card.

Santander said it had considered the Contingent Reimbursement Model (CRM), but this didn't apply to credit card payments. It then considered a chargeback and didn't believe that would be successful and it also decided a claim under section 75 Consumer Credit Act 1974 (s.75) wouldn't apply.

Mr B brought a complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld. Mr B asked that his complaint be considered by an ombudsman.

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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I also want to assure Mr B that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

It appears Mr B was the victim of an authorised push payment scam. A business was set up to look genuine but giving the wrong phone number. Mr B authorised the payment so Santander paid the money over under his instruction.

Banks and building societies are expected to process payments and withdrawals that its customer authorises it to make. So, when it comes to getting a refund of a payment that turns out to be fraud-related, businesses will often say in their defence to the customer that "we followed your instruction".

There are, however, some situations where we believe that banks and building societies, taking into account relevant rules, codes and best practice standards, shouldn't have taken their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

We expect Santander to look at triggers which give cause for concern. It should consider for example:

- Was there a clear deviation from how the account was usually run?
- Was the account balance drained quickly and without notice (when it usually maintained a relatively stable/consistent balance prior to the scam)?
- Were the payments large compared to typical sums going out of the account?
- Did a pattern of spending emerge that looked unusual or suspicious?

Having looked at Mr B's statements I cannot see that there were grounds for Santander stopping the payment of £1,654.70. It was not an unusual payment for him to have made. However, it did recognise the later payments from his bank account were fraudulent and either repaid or stopped these.

It reviewed the CRM model, but this does not apply to credit card payments so that proved to be of no use to Mr B.

It also looked at the possibility of raising a chargeback. This is a voluntary scheme run by the card scheme operator to process settlement disputes between the card issuer (such as Santander) – on behalf of the cardholder (Mr B) – and the merchant (here it's the scammer Mr B made the payment to). It is not a legal right that the cardholder has.

The scheme operator sets the chargeback rules and time limits for transactions made using the card scheme. And it is the scheme operator that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder's behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn't necessarily expect it to raise a chargeback.

I agree with Santander that the evidence was not strong enough for a claim to be successful and so I cannot say it was wrong in not pursuing one.

Nor do I think a s.75 claim would be successful. This legislation offers protection to customers who use certain types of credit to make purchases of goods or services. Under s. 75 the consumer has an equal right to claim against the provider of the credit or the retailer providing the goods or services, if there has been a misrepresentation or breach of contract on the supplier's part. For s. 75 to apply, the law effectively says that there has to be a

: • Debtor-creditor-supplier (DCS) agreement and

- A clear breach of contract or misrepresentation by the supplier in the chain.

Our role isn't to say if there has been a breach of contract or a misrepresentation for a valid claim under s. 75 but to consider if Santander has come to a fair outcome based on the evidence they were provided.

It appears that there is no DCS agreement here since the money has gone to an intermediary. Furthermore, it is likely that the booking company will have provided the flights

albeit not in Mr B's name.

In conclusion while I have every sympathy with Mr B I do not consider I can say Santander did anything materially wrong.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 November 2025.

Ivor Graham
Ombudsman