

## **The complaint**

Mr G is unhappy with how Santander UK Plc handled his fraud claim.

## **What happened**

In April 2025 Mr G received a call from a scammer impersonating Santander. Mr G has described being told about a payment to a travel agent that he didn't make and receiving an SMS from Santander. He says he ended the call without sharing any secure information and contacted Santander. Mr G disputed one payment made from his credit card.

Santander says that the payment was only successful because a one-time passcode (OTP) sent to Mr G's registered number was used to authenticate it. It initially declined Mr G's claim but later concluded Mr G was likely tricked into sharing the OTP and refunded the payment. Santander also paid Mr G a total of £80 compensation.

Mr G remains unhappy with how Santander handled the investigation and maintains he didn't share the code. He raised a number of points about Santander's security, how his claim was handled and why he thinks Santander should have done more in the circumstances - he'd like to be compensated for the additional stress and anxiety caused to him.

When Mr G referred his complaint to our service, the investigator didn't uphold the matter. In summary they concluded that Santander had been fair in reimbursing Mr G given it needed to make assumptions in Mr G's favour relating to how a third party could have made the payment without his consent. They didn't think Santander ought to have done more to prevent the payment or once the scam was reported and didn't recommend Santander pay Mr G any additional compensation.

Mr G didn't agree, he made several points relating to why he didn't think Santander acted appropriately. As an agreement couldn't be reached, the matter has been passed to me for consideration 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.

Having done so, I'm not upholding this complaint for similar reasons to the investigator.

Mr G has made several detailed points about his complaint which I have only summarised above. But I'd like to reassure him that I have considered his submissions in full. And I hope the fact that I do not respond in a similar detail here will not be taken as a discourtesy. As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point made, but to consider the circumstances as a whole.

The main issues in dispute are whether Mr G would need to have shared the OTP with the

scammer for the payment to be made, and whether further compensation would be fair based on how Santander handled Mr G's claim and the impact this had on him.

Where evidence is incomplete, missing or contradictory, I need to determine what I think is more likely than not to have happened. I do this by weighing up what I do have and making a finding on the balance of probabilities.

I don't think Santander needs to do anything further for the following reasons:

- I don't consider Santander did anything wrong in processing the disputed payment.
  - At the time it was correctly authenticated including the use of two factor authentication in the form of an OTP sent to Mr G.
  - Having considered the disputed payment's value and who it was made to, I'm not persuaded Santander ought to have found it suspicious, such that it ought to have made enquiries of Mr G before processing it. It isn't unusual for customers to make one off larger payments on their credit card for holidays, and I don't think the value itself would have appeared high risk. While some scams do involve payments to that travel agent, it is still a legitimate merchant and many payments to it are genuine.
- Once Santander was aware Mr G disputed authorising the payment, I think it acted reasonably.
  - While Mr G reported the scam call quickly, the payment had already been processed. So, Santander wouldn't have been able to stop the payment even if it showed as pending. This simply means it hasn't been taken by the merchant yet.
  - Santander was entitled to assess how the payment could have been authenticated using Mr G's secure information including the OTP as part of establishing the level of involvement from their customer and determining whether it accepted the payment was unauthorised.
  - Based on the information available to Santander, including what Mr G told it happened, I agree it's more likely than not that Mr G did share the OTP with the scammer. This is because there was nothing to indicate how else a third party could have access to this, such as if Mr G had provided remote access to his device. I can see Santander did explore the different possibilities and I note there would have been no reason for the scammer to have called Mr G if they had a way of accessing the OTP without his involvement.
  - Santander ultimately gave Mr G the benefit of the doubt and concluded it was more likely Mr G had been tricked into sharing the OTP rather than because he agreed to the payment.
  - Mr G has described the time between when he was told he wouldn't receive a refund and when this decision was overturned as stressful and that this caused him anxiety. While I agree it was ultimately the fair outcome, I think the conflict between what Mr G described happening and the technical information Santander held means that it wasn't unreasonable of Santander not to provide a refund straight away when Mr G reported it.
- Santander has accepted it made some small errors and has paid Mr G £80

compensation. I think this is sufficient in the circumstances and in line with our published guidelines. I understand Mr G spent time on the matter, but a level of inconvenience is unfortunately inherent in being the victim of fraud and it wasn't Santander's fault that Mr G was targeted.

- Our service isn't a regulator.
  - It isn't our role to penalise firms such as Santander. We are an informal service, and it isn't our approach to break down the compensation amount into an award for each individual failing.
  - Mr G thinks Santander should use alternative forms of two factor authentication rather than delivering OTPs via SMS. It isn't our role to set a firm's processes or procedures.
- It isn't possible for Santander to guarantee fraud will not occur in the future or that scammers won't contact Mr G. I appreciate Mr G hasn't been reassured by how Santander dealt with the matter, but I don't think it was at fault here for the reasons explained.

For these reasons, I don't think Santander needs to do anything further to put matters right.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 20 May 2026.

Stephanie Mitchell  
**Ombudsman**