

## **The complaint**

Mr R complains that Santander UK Plc hasn't refunded payments made as part of a scam.

## **What happened**

Mr R is disputing two card payments that he says he didn't authorise. Mr R described receiving a call from a scammer impersonating Santander and being told he needed to protect his account.

Santander declined to reimburse Mr R on the basis that the payments were approved in his banking app as part of its stronger authentication process, known as 3DS.

When Mr R referred his complaint to our service, the investigator didn't uphold it. They concluded it was likely Mr R who confirmed the payments in his banking app and that Santander could treat them as authorised. The investigator didn't think Santander ought to have done more to prevent or recover the payments in the circumstances.

Mr R didn't agree, he said he logged into his app to check his balance and didn't give informed consent because he hadn't intended on making the payments. Mr R also said Santander didn't do enough to protect him from the scam, the payments were unusual for him and to a high-risk merchant.

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.

I'm sorry that Mr R has been the victim of a scam. Having carefully considered everything provided, I'm not upholding this complaint for similar reasons to the investigator.

Mr R 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.

### Has Santander acted fairly in treating the disputed payments as authorised?

Under the Payment Services Regulations 2017 (PSRs) – the starting point is that Mr R is liable for authorised payments and Santander is liable for unauthorised payments.

Where a payment is authorised, that will often be because the customer has made the payment themselves. But there are other circumstances where a payment should fairly be considered authorised, such as where the customer has given permission for someone else

to make a payment on their behalf or they've told their payment service provider they want a payment to go ahead.

When Mr R first reported the scam to Santander he explained that he'd pressed buttons to authorise activity in his app believing this was to do with securing his app.

Santander has provided evidence that both disputed payments were authenticated in Mr R's mobile banking app on his device. Santander has also provided a copy of the screens Mr R would have been shown in his banking app - these include information about the payment amount and who it's going to. The user is asked "*Do you want to authorise a payment of £X GBP to leave your account?*" and must select "*Authorise the payment*" for it to be successful.

I appreciate Mr R likely didn't use his card information to initiate the payments and that he was tricked into taking the steps in his banking app. I've taken at face value what Mr R has said about not intending on making payments and losing this money. But based on the above I think Santander can reasonably treat the disputed payments as authorised. Mr R says he didn't give genuine, informed consent. But under the PSRs consent is a formal concept focused on customer completing the agreed steps, for these purposes it isn't relevant why Mr R did so. I'm satisfied that Santander asked Mr R in a clear way whether he wanted the payments to go ahead – it asked him to review each transaction and set out the amount he would be paying and the recipient – to which he selected "*Authorise the payment*". It was therefore reasonable for Santander to rely on this and consider the payments had been made by Mr R or with his consent.

#### Did Santander miss an opportunity to prevent Mr R's loss?

In broad terms, the starting position at law is that a payment service provider such as Santander is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the PSRs and the terms and conditions of the customer's account.

But, taking into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Santander ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances

I have reviewed Mr R's account history. Having considered when the disputed payments were made, their values and who they were made to, I'm not persuaded Santander ought to have found them suspicious or out of character for the account, such that it ought to have made enquiries of Mr R before processing them. As there were only two payments no pattern had emerged yet.

While they were to a foreign exchange company, Santander does need to strike a balance between its obligations to follow its customer's payment instructions with their responsibilities to prevent foreseeable harm. In the context of each payments' value, Mr R's account history, and the payments being approved in app by Mr R after he verified himself, I don't think Santander has failed in its obligations by not intervening.

#### Could Santander have done anything else to recover Mr R's money?

Mr R has referenced APP scams which stands for authorised push payment scams. For clarity card payments aren't *push payments* and any reimbursement rules or schemes set up for APP scams don't apply to card payments.

Santander wouldn't have been able to stop the payments when they were reported as they had already been processed. This is the case even if they showed as pending.

As the disputed payments were card payments, a recovery option that would have been available to Santander would have been through the chargeback scheme. The chargeback process is run by the card scheme provider to resolve payment disputes between customers and merchants – subject to the rules they set. As the scheme is voluntary and limited in scope, Santander wouldn't be expected to raise a claim that it thought had no prospect of success.

I've explained above why I think the payment can be treated as authorised. In terms of other grounds for a claim against the merchant under the relevant chargeback rules, it's important to remember that here the merchant was a genuine provider. It likely provided the service just not for the benefit of Mr R. It isn't responsible for any representations made by the scammer.

So, I don't think Santander should have done more to try and recover Mr R's funds as a chargeback wouldn't have had a reasonable prospect of success.

For these reasons, while I am sorry that Mr R has been the victim of a scam and for the impact this had on him, I think his loss and any distress he experienced is a result of the scam rather than errors by Santander. So, I don't think Santander needs to do anything further in relation to the matter.

### **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 R to accept or reject my decision before 29 May 2026.

Stephanie Mitchell  
**Ombudsman**