

The complaint

Mrs D complains that Santander UK Plc did not provide a clear explanation as to how fraud occurred on her account.

What happened

Miss D has raised the complaint on behalf of Mrs D, and she holds Power of Attorney (POA) for Mrs D also. Around late February and early March 2023, a number of high value transactions left Mrs D's account without her knowledge or authorisation. These occurred over a few weeks. Eventually, Santander contacted Miss D and asked if she recognised the payments, which she did not.

On 14 March 2023, Santander refunded Mrs D's account with the £59,650.64 that was taken as part of the fraud, as well as two £25 fees. Miss D raised a complaint, as she felt Santander had not been communicative throughout the process and did not make staff available to discuss the issue. In addition, she felt there was no privacy in branch to discuss sensitive issues. Overall, she wanted an apology and to know how the fraud was able to occur on the account. Finally, she was unhappy that when she tried to raise a subject access request (SAR), Santander did not provide her with one or explain clearly why this was.

Santander issued a final response letter in which it explained that some communication issues had occurred because the POA had not been correctly set up on the account. It said that it had asked Miss D for some more information when she first added the POA to the account, but did not receive a response so it was not added.

Miss D referred the complaint to our service. Our Investigator looked into it and issued a view. This set out that we would not generally look at why a fraud occurred, and instead we would focus on the bank's actions when resolving a claim. They felt that as the funds had been recovered and returned to Mrs D within a reasonable timeframe, there was nothing further that needed to be done in relation to the fraud. However, they agreed that Santander had not clearly communicated with Miss D about the SAR, and they felt Santander should pay her £150 compensation in recognition of this.

Santander accepted the findings, however Miss D disagreed. She felt this did not accurately reflect the high level of stress caused by the poor communication and lack of customer service throughout the incident.

As an informal agreement could not be reached, 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.

Having done so, I agree with the Investigator for largely the same reasons. And I think the £150 compensation offered so far and accepted by Santander is fair in the circumstances. I'll

explain why in more detail.

I can see that Mrs D's account was the subject of fraudulent transactions. From what I can see, the fraud was identified by Santander and the full amount was refunded within two weeks. On balance, this is the kind of timeframe I would expect to see so I don't think there has been any unnecessary delays.

As the issue had been resolved prior to it coming to our service, there is no longer any financial loss remaining. Ultimately, it is our role to try and put a consumer back into the position they would have been in had an error not occurred. In this case, I'm satisfied Mrs D's account has been put back in the position it was in prior to the fraud. So, I don't think Santander needs to take further action in relation to this issue.

I'll move onto the issue of the SAR. Santander has confirmed that in Miss D's letter to Santander on 14 March 2023, she requested a full SAR. However, they could find no record of this being requested or denied. They confirmed that Miss D would need to request another SAR. I agree that Santander could have provided better communication in relation to this issue and that it's possible they have therefore caused a delay in the SAR being provided. And I think the £150 compensation that was recommended is fair in the circumstances. This should be paid directly to Mrs D's account.

My final decision

I uphold Mrs D's complaint in part and direct Santander UK Plc to pay her £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D and Mrs D to accept or reject my decision before 29 February 2024.

Rebecca Norris
Ombudsman