

The complaint

Mr C is unhappy that Santander UK Plc won't refund transactions on his account which he says he didn't make or authorise.

What happened

Mr C says he lost his bag which contained his bank card and mobile phone. On 20 March 2024 he contacted Santander and a new card and PIN was sent to his home address. Mr C says he didn't receive either of these.

Whilst he was waiting for the new card and PIN to arrive Mr C made telephone transfers to a friend's account so he had access to his money. During one of these calls he realised his balance was lower than expected and discovered transactions had taken place which he says he didn't make or authorise. Mr C is disputing cash machine withdrawals that took place between 28 March 2024 and 31 March 2024 totalling £1,200.

Santander acknowledged there were some customer service issues as when Mr C spoke to an advisor, they were unable to continue with the call due to computer issues. But another advisor called him back so he didn't have to wait in a queue.

The advisor explained there were concerns around Mr C's account and that he'd need to attend branch with ID. Santander reiterated he'd still need to do this in their final response letter and in the meantime, they placed a restriction on the account. However, as a gesture of goodwill and to cover Mr C's costs he may have incurred to attend the branch they sent him a cheque for £30. However, Santander didn't refund the disputed transactions to Mr C so he brought his complaint to our service.

Our investigator didn't uphold the complaint. He explained Santander intervened during a payment on 29 March 2024 by sending a text message to Mr C's mobile phone (which Mr C said he'd lost) and for a Y (Yes) or N (No) reply to confirm whether the transactions were genuine. Following this, confirmation was provided that the transactions were genuine. This confirmation was sent from a different number, but had been previously linked to Mr C as he had provided it as part of an application for another bank account in December 2021.

Our investigator said for this sequence of events to have taken place someone would've needed to find or steal two separate phones belonging to Mr C and also intercepted his card and PIN to then make the transactions, and our investigator didn't think this was likely.

Mr C said he has no knowledge of the mobile number which replied to Santander's text message and says Santander are lying. He requested an Ombudsman to review his complaint.

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.

First of all I want to say how sorry I am to read of Mr C's personal circumstances and his ill health. This has undoubtedly been a difficult time for him and I can understand he wants this matter resolved as a matter of urgency. Having reviewed all of the evidence provided by Mr C and Santander I don't uphold this complaint, and I'll explain why.

The relevant regulations here – the Payment Services Regulations 2017 – say that generally a consumer won't be held liable for any transactions made on their account that they didn't authorise, except in limited circumstances. In this case the most important question I need to answer is whether I think it's more likely than not Mr C, or someone acting on his behalf, carried out the transactions.

Mr C says he lost his bag which contained his bank card and mobile phone. From Santander's records I can see that the new card and PIN were ordered on 20 March and sent to the correct address and the same one that we hold for Mr C. Santander predicted these would arrive on different days and the evidence Santander provided strongly suggests the card and PIN were sent on different days. So taking everything into account I don't think Santander did anything wrong in this regard.

Mr C says he never received either the card or the PIN so our investigator asked Mr C about his postal and living arrangements to see whether it was more likely than not that the card and PIN were intercepted.

Mr C explained he lived with two other people and there was a shared post box for the property. So anyone living in the property (or had access to it) could have access to the post and it is feasible that the card and PIN could have been intercepted. However, I don't think this is what's more likely than not to have happened, I'll explain why.

Based on the information provided by Santander it seems as though Mr C has used at least one of the cash machines involved in the disputed transactions for a genuine transaction in January 2024, and I've also noted this cash machine is within a relatively close proximity to Mr C's home address – both of which I find unusual

There was a successful cash machine withdrawal on 28 March for £250 although the second attempt to withdraw £250 a minute or so later was declined as this exceeded the cash withdrawal limit of £300. This transaction was shortly followed by a successful withdrawal of £50. The following day, on 29 March, there was a balance enquiry followed by further withdrawals and attempts to withdraw cash which exceeded Mr C's limit.

After this Santander sent a text message to Mr C's number Santander held for him to confirm whether the transactions were genuine or not. I've seen Santander's internal records showing the number this text message was sent to and I'm satisfied it's Mr C's genuine number as it also matches the one our service holds for him.

I've seen a copy of this message which asked Mr C to reply Y if the transactions were his or N if he didn't recognise some or all of them. There was also the option for Mr C to call Santander to confirm these transactions.

I've seen evidence from Santander showing a reply was received from a separate mobile number confirming the transactions were genuine and this evidence also shows the telephone number that was used. Santander says this matches a telephone number Mr C used in a bank account application in December 2021.

Santander provided a copy of this application to our service, and I can see the details on this application match Mr C's including his name, address and date of birth - and also provides the mobile number used to confirm the legitimacy of the transactions. Taking everything into

account I think it's more likely than not that this application was made by Mr C and that the number used as part of this application was provided by him at the time.

Mr C has said he has no knowledge at all of this number and that Santander are lying. He also says he's called the phone number and the person that answered said he'd had the number for about 20 years.

Although Mr C didn't dispute the account application in 2021 when our investigator issued his view, I've seen that most recently Mr C has been unclear as to whether he disputes the application made in December 2021.

Taking everything into account I find it difficult to understand how Santander's text message sent to a lost mobile phone relating to Mr C could be replied to using a different phone number also linked to Mr C. And the person who had both phones would have also needed to intercept both the card and the PIN from his property (which likely arrived on different days). So I'm unable to see how Mr C or someone acting on his behalf didn't have some involvement in the disputed transactions. And it follows that I think Mr C should remain liable for these.

And even if I put to one side that Mr C says he has no knowledge of the phone number (and possibly the application form from 2021) that sent the reply to Santander, the person who carried out the transactions would have needed to take Mr C's phone *and* also intercept both his card and PIN to make the transactions – which as explained above are more likely than not to have arrived at different times. I can't see a reasonable explanation for how a third party had all of the above and I'm still not persuaded it wasn't Mr C or someone acting on his behalf who had some involvement in the transactions.

Because of this it follows that I won't be asking Santander to refund the disputed transactions.

I appreciate Mr C will be very disappointed in my decision as he feels strongly about his complaint but for the reasons I've explained above I won't be upholding it.

Branch visit

When Mr C contacted Santander and noticed the disputed transactions he was advised he'd need to go to branch with identification. Mr C explained he was very unwell so this would be difficult for him and he wanted his expenses to be paid for. I think it would have been helpful for a workaround to have been discussed – such as whether Mr C could provide these documents in a different way but I can see that Santander paid him £30 to cover the costs of a branch visit, although Santander has no record of any visit from him. So I don't think Santander need to do anything further here.

I note that Mr C previously told our service he wanted to close his account. But since this time Santander have decided to close Mr C's account anyway and provided him with a months' notice. Should he wish to withdraw the remaining balance (£0.22) then I would advise him to contact Santander to discuss this further.

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 C to accept or reject my decision before 30 October 2024.

Marie Camenzuli
Ombudsman