

## **The complaint**

Mrs B is unhappy about the way Santander UK Plc has dealt with fraud on her account.

### **What's happened?**

On 5 October 2022, £3,783 was fraudulently transferred out of Mrs B's Santander account via faster payment. The fraudulent transaction was brought to Mrs B's attention when she discovered that her account was blocked the next day and contacted the bank. Santander reimbursed the fraudulent transaction on 6 October 2022 and paid the interest Mrs B lost out on because of the fraudulent transaction (£0.12) into her account on 7 October 2022. The relevant account blocks were lifted on 6 October 2022 and new online banking credentials were sent to Mrs B via the postal service, which she had to wait to receive before she could use online banking again.

In summary, Mrs B now complains that:

- It's possible that Santander should've prevented the fraud from occurring, enabling her to continue using her account in an unhindered way. The bank reimbursed her very quickly and she believes this indicates that Santander was at fault.
- Santander hasn't divulged details of its fraud investigation so she can determine where any fault lies. The bank has said that she was the victim of a smishing attack, but she denies facilitating the fraud in any way.
- Since the fraud, the bank has patronised her by trying to educate her on fraud and scams even though she has been clear that she didn't facilitate the fraud.
- She only received an automated call about the fraudulent transaction on 5 October 2022. Santander did not attempt to use any other means of communication to alert her, which would have been reasonable. She has provided feedback to the bank in this respect, but it hasn't told her how her feedback will be used to implement improvements.
- Whilst her financial loss was short-lived, she endured untold stress and anxiety for over a week because she wasn't made aware that she'd been reimbursed until she received a letter confirming the refund via the postal service.

Santander has said that:

- It handled Mrs B's case in a timely manner, and in line with current processes.
- It doesn't share details of its fraud investigations with customers.
- It can't confirm whether the feedback Mrs B has provided will be used or implemented.

Our investigator didn't uphold Mrs B's complaint to this Service about Santander. Overall, he

didn't think there was anything more he could fairly ask Santander to do to put things right for Mrs B.

Mrs B asked for her case to be referred to an ombudsman for a final decision. She's unhappy that this Service hasn't established how the fraud occurred and she thinks the investigator has failed to appreciate the immense stress and anxiety she suffered over a 6-day period, because she was unaware that she'd been reimbursed.

### **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.

The role of the Financial Ombudsman Service is to informally resolve individual disputes between consumers and financial institutions. Where a banking error has occurred, and a consumer has lost out as a result, we can direct financial institutions to put things right by placing the consumer back in the position they would've been in but for the error. We can also make a money award to put right the emotional or practical impact of a banking error.

We are not the regulator, and we can't require financial institutions to change their policies and procedures. That is the role of the Financial Conduct Authority. So, although I appreciate Mrs B's strength of feeling about Santander's procedures/communication methods, I cannot direct the bank to make changes in this respect.

It's common ground that £3,783 was fraudulently transferred out of Mrs B's account on 5 October 2022. I haven't seen any conclusive evidence as to how the fraud occurred but, in the circumstances, I don't think it's necessary to establish what type of fraud Mrs B fell victim to. I don't intend any disrespect in saying this. But Santander has accepted that Mrs B was defrauded and reimbursed her in a timely manner, as I'd expect it to do if I found that she was the victim of fraud that the bank should've prevented.

It's possible that Santander ought to have detected and prevented the fraud. But, as I've indicated above, if I found that Santander should've prevented the fraudulent transaction from occurring, I would direct it to reimburse Mrs B, and it's already done that. So, I don't think I need to establish whether Santander ought to have prevented the fraud either.

I'm sorry to hear about the distress and anxiety this matter has caused Mrs B. But even if I were to conclude that the bank ought to have prevented the fraud, I don't think a money award for the emotional impact on Mrs B is appropriate in this case. This is because I'm mindful that the impact on her was predominantly caused by the callous act of a fraudster. And I acknowledge that using financial services cannot reasonably always be error free. I'm pleased to see that Santander took immediate steps to minimise the impact on Mrs B – quickly reimbursing her in full once the fraud was identified – and that it has apologised to her.

I appreciate that Mrs B did not receive confirmation that she'd been reimbursed for a short while, and I note that she's said this exacerbated an already stressful situation. But she doesn't appear to have taken any steps to minimise the impact on herself. For example, she could have contacted the bank for an update if she was very worried or checked her account balance (albeit not via online banking as she was waiting for her new credentials) to see if a refund had been received.

Overall, I'm satisfied that Santander has already done enough to reasonably resolve this case, and I won't be directing it to take any further action.

**My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 28 July 2023.

Kyley Hanson  
**Ombudsman**