

The complaint

Miss A complains Santander UK Plc hasn't refunded two £600 cash withdrawals she says are a mystery to her.

What happened

Miss A is an elderly woman who has an account with Santander. She has problems with her eyes and has told us she had a bad fall around the time of these withdrawals and that she had to move house. In other words, she was going through a bad patch.

In December 2020 and April 2021 two cash withdrawals were made from Miss A's account. Miss A says she didn't notice these withdrawals until she checked her statements in 2022. She says that she never withdraws more than £250 – the withdrawals were for £600 – so was shocked when she saw them. Miss A contacted Santander to dispute the withdrawals.

Santander said that the withdrawals had both happened more than 13 months ago meaning that it wasn't obliged to refund them – even if they weren't her – as she hadn't reported them soon enough. Miss A was unhappy with Santander's response, so it investigated further. Having done so, Santander said that it wasn't going to refund the transactions as they had been authorised in branch using her genuine card and PIN. Miss A complained to us saying that Santander should be able to go back and look into these transactions, and that it hadn't investigated properly. Miss A was particularly unhappy that Santander had tried to blame her saying that she'd used her card in a shop earlier on that day. Miss A said that this was a completely separate transaction, so it wasn't relevant.

One of our investigators looked into Miss A's complaint, but didn't recommend it be upheld. Miss A asked for a decision from an ombudsman saying that it was very suspicious that both withdrawals were for the same large amount. So, her complaint was passed to me.

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.

In this particular case, Santander was entitled to say it was under no obligation to refund these two transactions because they'd both happened more than 13 months earlier. That's because of Article 74 of the Payment Services Regulations and Santander's own terms and conditions too. I can, however, see that Santander did investigate these withdrawals in any event and, based on the information it had, concluded that they were likely to have been authorised by Miss A. That's because Santander could see the withdrawals had been made with Miss A's genuine card and PIN, it could see Miss A had used her card for other genuine transactions around the time and there was no obvious point of compromise.

I can understand why Miss A didn't check her statements at the time these withdrawals happened and, based on the statements I've seen, I agree that these withdrawals are larger than the ones she typically makes. That doesn't mean I think Santander should have stopped them at the time – they were not sufficiently unusual or large enough to justify that.

And they were also carried out using Miss A's genuine card and PIN in a branch. Banks do, however, rely on customers reporting disputed transactions as soon as possible, in part so that evidence that can help establish whether they're genuine or not will still be available. I can, therefore, understand why Santander's initial reaction was that it wasn't obliged to refund these transactions – even if they were unauthorised – given that they were reported more than 13 months after they occurred.

To Santander's credit, it did then carry out an investigation and, having done so, concluded that it was more than likely that these transactions had been authorised by Miss A. I can see the ways in which Santander went about investigating upset Miss A – she's said it's irrelevant that she used her card in a shop the same day as the first disputed withdrawal as that was a completely different transaction. I can understand the logic of what Miss A is saying, but it's normal for banks to look at what's happened with the card around the time of a disputed transaction as this helps establish what might or might not have happened.

In short, I can't say in this case that Santander should do more. So, it's not a complaint I can uphold.

My final decision

My final decision is that I'm not upholding this complaint and not going to ask Santander UK Plc to do more than it already has.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 15 September 2023.

Nicolas Atkinson
Ombudsman