

The complaint

Mr K is unhappy with how Santander UK Plc handled his request for help to recover his money through the chargeback process.

What happened

In early August 2023 Mr K purchased three concert tickets using his Santander debit card. The concert was scheduled for a couple of weeks later, but when Mr K turned up at the venue, he was told the concert had been rearranged. Mr K was unable to make the rearranged date, so asked the supplier, who I'll call E, for his money back.

As he didn't receive his money back from E, Mr K got in touch with Santander and asked them to help. Santander raised a chargeback claim for Mr K, and in mid-August 2023 credited his account with the full amount of £67.14 while E was considering the chargeback. The following day E refunded Mr K directly with the full amount of his purchase.

Mr K got in touch with Santander again as he was initially confused why he'd received the money back twice. Santander explained that E had provided a full refund, and they would close his chargeback dispute as a result.

In early October 2023 Santander wrote to Mr K to explain that, as he'd received a full refund from E, they would be debiting the credit they applied to his account in August 2023. Mr K wasn't at his home address when Santander wrote to him, so was unaware the money would be taken, so it came as a surprise to him when he noticed £67.14 had been debited. Mr K complained to Santander at this point as he felt they should have made him aware by other means that the money would be taken from him.

Santander didn't uphold Mr K's complaint. They said they had written to Mr K at the correct address, and the letter explained the amount would be taken within 14 days of the date of the letter.

Mr K brought his complaint to our service. He told our investigator he had expressed a preference for his account to be paperless so Santander should have emailed or called him rather than send a letter to his home address. He asked for an apology and compensation as he said Santander had caused him stress because of this. Our investigator didn't uphold Mr K's complaint. He said Santander had acted fairly by debiting Mr K's account as he couldn't expect to receive the full refund twice, and although he appreciated Mr K had asked for his account to be paperless, our investigator felt the letter issued by Santander was satisfactory and explained the money would be re-debited from Mr K. He said Santander had said that the information couldn't have been sent by email – the only option they have for this process is to send written communication. Our investigator said it was expected that Santander notify Mr K of their intention to re-debit his account, and he was satisfied they'd done that in this case.

Mr K didn't accept this. He said he wanted an apology and £100 compensation.

As Mr K hasn't agreed, it's been passed to me to decide.

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.

It's clear that Mr K feels strongly about this, and I'd like to reassure him that I've read and considered everything that's been provided, although I haven't commented on it all in this decision. I will be focussing on what I consider to be the key points of this complaint.

Having reviewed all the information, I know Mr K has received a full refund from E. As Mr K has had a full refund and is back in the position he expected to be in, I don't need to make a decision on that. All that's left for me to consider is how Santander helped Mr K, if his request for help was dealt with fairly and if I consider he should receive any compensation. And in this case, I'm satisfied Santander have dealt with Mr K fairly. I'll explain why.

Mr K asked Santander for help when he was struggling to get his money back from E. Santander weren't obliged to raise a chargeback claim for him, but I would expect them to if there was a reasonable chance of success. In this case, Santander did raise a chargeback for Mr K, and they wrote to him the same day to explain the credit had been provisionally applied to his account while E considered their position. E refunded Mr K the full amount the following day, and Santander confirmed it was E, and not them, that had refunded the money to his account when he asked them why he'd received the amount twice.

Mr K has said that Santander's decision to re-debit the amount from his account has caused him distress. However, I don't think it's reasonable that Mr K should believe that he would be keeping both credits applied to his account – he had received a full refund from E, so I'm satisfied that he should have expected Santander to then re-debit the amount they had credited to him, as he no longer had a requirement for his chargeback claim to be pursued. It follows that I'm satisfied Santander acted appropriately when they re-debited £67.14 from Mr K's account.

Mr K has also said he didn't receive Santander's letter in October 2023 confirming they would be re-debiting his account and, because of this and because he had previously requested for his account to be paperless, he had experienced a financial impact and been inconvenienced. For that he has requested compensation. However, I haven't seen any evidence from Mr K to suggest he experienced any financial detriment as a result of his account being re-debited. And, as I've mentioned above, I'm satisfied he should have been aware that the credit applied by Santander initially would be collected by them, as he no longer needed their assistance in obtaining a full refund from E. He had received it.

Mr K manages his account with Santander on a paperless basis. But I'm satisfied that, while he may be paperless for his account statements and generic messages and notifications Santander need him to be aware of, it's also reasonable to expect certain correspondence to be posted if it's of a more specific nature and in relation to a specific concern Mr K has raised. Santander have confirmed they weren't able to send Mr K an email confirming the amount would be taken from his account, and only had the option to write to him. I think that's reasonable in this case – and as I think Mr K should have already been aware the money would be taken once E had provided him with a full refund it shouldn't have come as a surprise to him when it was taken.

I know this will come as a disappointment to Mr K. But I'm satisfied Santander have acted fairly here, and I won't be asking them to do anything more.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 3 April 2024.

Kevin Parmenter
Ombudsman