

The complaint

Mr R complains that Santander UK Plc failed to raise two chargebacks on his behalf.

What happened

On 21 July 2021 Mr R purchased from a retailer that I will call “C” a mobile phone costing £679.25. Mr R used his Santander debit card for this purchase.

On 25 January 2022 Mr R purchased from C a laptop costing £889.00. Mr R used his Santander debit card for this purchase.

On 30 May 2022 Mr R asked Santander to raise chargebacks on his behalf for both purchases noted above.

Santander said it wasn’t able to raise chargebacks on the grounds of time.

Mr R brought his complaint to this service where it was investigated by one of our investigators. The investigator came to the view that Santander had done nothing wrong and Mr R had indeed asked for both chargebacks to be raised (on his behalf) too late.

Mr R didn’t agree with the investigator’s view so his complaint has been passed to me for review and 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.

I’ve read the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point or particular piece of evidence, it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome. Our rules allow me to do this, reflecting the fact that we are an informal free service set up as an alternative to the courts.

Secondly, and for the avoidance of doubt, I would like to make it clear that I’m only considering in this decision Mr R’s complaint that Santander refused to raise chargebacks on his behalf for the two purchases he made on 21 July 2021 and 25 January 2022, not any other complaint he might have.

Santander says that it didn’t raise the two chargebacks requested because Mr R asked it to do so too late.

In certain circumstances, the chargeback process provides a way for a bank to ask for a payment a customer made to be refunded. Where applicable, the bank raises a dispute with the supplier and effectively asks for the payment to be returned to the customer. While it's good practice for a bank to attempt a chargeback where the right exists and there is some prospect of success it won't always be appropriate for the bank to do so. There are grounds or dispute conditions set by the relevant card scheme and if these aren't met, a chargeback is unlikely to succeed.

I've considered the scheme rules in question. These set out that a chargeback has to be raised within 120 days of the purchase being disputed.

The date of Mr R's two purchases were 21 July 2021 and 25 January 2022. As Mr R didn't contact Santander until 30 May 2022, this was later than 120 days.

I do sympathise with Mr R. But Santander didn't set the chargeback rules, the card scheme did, and Santander could only get Mr R's money back if his dispute fitted within those rules. Unfortunately, for Mr R, in this case it didn't.

On this basis, I'm satisfied that Santander didn't treat Mr R unfairly by not raising the two chargebacks he asked be raised.

For the sake of completeness I would add that although I'm satisfied that Santander didn't treat Mr R unfairly doesn't necessarily mean Mr R doesn't have grounds for a claim (under one or more pieces of consumer protection legislation) against C. But it's entirely a decision for Mr R, not me, about whether such a claim should be made.

My final decision

My final decision is I don't uphold this complaint.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 4 June 2024.

Peter Cook
Ombudsman