

The complaint

Miss R complains about the way Santander UK Plc handled a claim she made to it.

What happened

I won't repeat all the background information, which is already known to the parties concerned – it reflects my informal remit.

Miss R purchased dental aligner treatment for a family member in December 2022 using her Santander Mastercard debit card. She paid the supplier £1,539 ('Transaction 1').

Miss R also purchased a dental retainer from the same supplier in August 2023 for £297 using the same card ('Transaction 2').

The supplier ceased trading in December 2023. Miss R says:

- The results of the treatment were poor – and the supplier can no longer provide aftercare benefits under its guarantee; and
- the retainers did not fit.

Miss R raised a claim with Santander on 2 July 2024 to help recover funds paid to the supplier. However, Santander concluded that it was too late for it to raise a chargeback.

Miss R complained about Santander's response, and that complaint reached this service. Our investigator concluded that Santander had not acted unfairly.

Miss R has asked for the matter to be looked at again by an ombudsman.

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 won't comment on everything – only what I consider to be material to the complaint. This reflects my informal remit.

I am sorry to hear Miss R is unhappy with the treatment she paid for on behalf of a family member. However, Santander is not the supplier– so I can only look at the fairness of its actions in the context of its role as a provider of financial services.

Here I note that Miss R used a debit card to pay for the goods and services. Section 75 of the Consumer Credit Act 1974 does not apply here. However, the chargeback scheme is a way that Santander might have been able to recover funds.

A chargeback is not guaranteed to work, but if there is a reasonable prospect of success it is often good practice to raise one.

Chargeback is governed by the rules of the card scheme. In this case the relevant scheme is MasterCard, which I have considered here.

From what I can see Miss R approached Santander and didn't provide a lot of detail about the nature of the dispute beyond the fact the supplier had gone into liquidation and she wanted a refund. It could be argued that Santander could have asked for some more information – but even had it done so I don't think it changes things here.

Ultimately, it has become apparent that Miss R's dispute is focused on the quality of goods and services received. Whether that be the initial aligner treatment or the subsequent order of retainers.

I think the most relevant reason code in the chargeback rules here relates to goods or services being '*not as described or defective*'. However, to raise a chargeback under this rule certain time limits need to be adhered to. Unfortunately, when Miss R approached Santander I consider these time limits had expired. I will explain why.

The aligner treatment was purchased in December 2022 – and generally there is 120 days from when the service ceased to raise a chargeback. The supplier went into liquidation in December 2023 – so clearly Miss R raising a chargeback on 2 July 2024 would be outside this time limit. However, and in any event Santander has a maximum of 540 calendar days from the transaction settlement date to raise a chargeback – which would also have expired here. Therefore, I don't consider Santander was acting unfairly in not raising a chargeback in respect of Transaction 1.

The retainers were purchased in August 2023. However, these would be characterised as a one off purchase of goods rather than an ongoing service. Therefore, under the relevant rule there is 120 days to raise a chargeback from the delivery date of the goods. From what I can see from the testimony and circumstantial information here Miss R's family member received the retainers 4-5 weeks after placing the order and likely before the end of 2023 in any event. Which would also mean that any chargeback for these was clearly out of time when Miss R contacted Santander in July 2024.

I know Miss R is going to be disappointed by this – and I am sorry to hear that. However, I don't consider that Santander has acted unfairly in not progressing the chargeback further than it did.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 23 April 2025.

Mark Lancod
Ombudsman