

The complaint

Mr A complains Santander UK Plc didn't do enough to help get a refund for a transaction made on his debit card.

What happened

In April 2024, Mr A paid a plumber with his Santander debit card, to carry out repair works. After the plumber visited, Mr A said the problem hadn't been fixed. The plumber said they could re-visit, but there would be a charge as different repair works would be needed. Mr A said the plumber should have been able to fix the issues during the first visit, so asked for a refund, which the plumber declined to provide.

Mr A therefore contacted Santander for help in getting a refund. Santander considered whether it could raise a chargeback, which is a process of asking the merchant (the plumber) for a refund via the card scheme provider – Mastercard. However, based on the evidence available, Santander said it couldn't dispute the transaction, so declined to raise a chargeback on behalf of Mr A.

Mr A complained about Santander's decision. He asked that it explain why it wouldn't raise a chargeback. Santander doesn't agree it's done anything wrong; it says the conditions of a chargeback are set out by the card scheme provider and the circumstances of Mr A's dispute don't fall within these, which is why it declined to raise one.

Unhappy, Mr A referred his concerns to our service. One of our Investigators looked into what happened and didn't think Santander had treated Mr A unfairly. She said Santander had considered the circumstances of Mr A's dispute against the card scheme rules and it was reasonable in its decision not to raise a chargeback.

Mr A disagreed with our Investigator's conclusions, saying the plumber had said they could fix the problem, and this didn't happen. As the matter couldn't be resolved, 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.

I'm looking here at the actions of Santander and whether it acted fairly and reasonably in the way it handled Mr A's request for help in getting his money back. This will take into account the circumstances of the dispute and how the retailer has acted, but there are other considerations, such as the card scheme rules, which Santander must follow and its own obligations.

Mr A paid using his debit card. This meant the only realistic option available to Santander to get his money back was to engage with a process known as chargeback.

The chargeback process provides a way for Santander to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant and effectively asks for the payment to be returned to the customer. There are grounds or dispute conditions set by the relevant card scheme (Mastercard) and if these are not met, a chargeback is unlikely to succeed. The process provides an opportunity for a merchant to provide a defence to the chargeback and its own evidence in support of that defence. If the retailer continues to defend the chargeback, Santander can either accept that defence, if it believes it's valid, or, it can ask the card scheme to decide who gets to keep the money – usually referred to as arbitration.

In this decision it's important to set out, it isn't for me to decide the underlying chargeback dispute, rather my decision is limited to whether I think Santander acted reasonably against its responsibilities in the chargeback process.

It isn't a requirement that Santander must raise a chargeback every time it's asked to. Where the evidence supports the customers version of events and this fall within a chargeback code, I'd expect Santander to raise a chargeback in support of its customer. Santander declined to raise the chargeback on behalf of Mr A. So, my review focuses on whether it was reasonable in making this decision.

The most applicable chargeback code, as set out by the card scheme is *"Goods or Services Were Either Not as Described or Defective"* – as Mr A is complaining about the quality of the service he received.

Mr A submitted copies of messages with the plumber, agreeing the initial call out and later that the problem hadn't been fixed. Mr A said the plumber had stated *"...to rectify this issue..."* and as the issue hadn't been rectified, it was clear he hadn't received the service he'd paid for.

In contrast, the plumber's responses set out they'd attended and replaced the part they'd been instructed to and had quoted without seeing the job, which is difficult. The plumber didn't agree a refund was due and said any further visit would incur a charge.

So, the messages presented Santander with two versions of events, as while Mr A was concerned the plumber hadn't done what was expected, the plumber stated they'd carried out the works as instructed and having done this, further works were necessary.

While I appreciate this answer may come as a disappointment to Mr A, I think Santander acted reasonably in considering his chargeback. I'm satisfied it considered Mr A's evidence against the card scheme rules and in doing so, concluded it didn't have enough to successfully raise a chargeback. There wasn't clear evidence to show the plumber had failed to carry out the services they'd been paid for, rather the messages showed there was a disagreement between Mr A and the plumber, after the services had been provided, as to what the payment encompassed – which alone wouldn't be reason to raise a chargeback.

In conclusion, I haven't found Santander treated Mr A unfairly. While I note Mr A is unhappy Santander declined to raise the chargeback, I'm satisfied it gave reasonable consideration to the circumstances of his dispute and the evidence provided against the card scheme rules before making this decision. As a result, I haven't found Santander made an error in considering Mr A's request to raise a chargeback, so won't be asking it to do anything differently.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 May 2025.

Christopher Convery
Ombudsman