

The complaint

Miss C complains that Santander UK Plc didn't proceed with the chargeback claim she sought to raise against a merchant.

What happened

Miss C purchased some decking from a merchant, M, using her debit card. She asked Santander to raise a chargeback claim as she believed the decking was faulty - poor quality, with imperfections, holes, dents and scratches. She said it was too soft. Santander declined to raise her dispute so she brought a complaint.

In its final response Santander said it had investigated Miss C's dispute, fully adhering to all chargeback processes. It said it wrote to Miss C on 11 October 2023 explaining it was waiting for information from her to proceed with the chargeback. It said as it was now out of time it couldn't pursue this dispute further. Miss C brought her complaint to this service.

In her complaint Miss C raised issues related to several claims totalling £19,000. The final response from Santander addresses one specific transaction for £3,727.59. This is the transaction which is the subject of this decision.

Our investigator concluded Santander had acted fairly. He said after reviewing the case he agreed there wasn't enough to prove this chargeback would have had a reasonable prospect of success. Miss C wasn't satisfied and asked for a final 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.

When Miss C brought her claim to Santander it initiated the chargeback approach. Chargeback is a transaction reversal made to dispute card transactions and obtain a refund if there is a problem with the product or service. Chargeback rules are set by the card scheme, and not the card issuer. The rules can be quite strict.

It's important to say that chargeback is a voluntary scheme not a legal right, there is no automatic right to it, nor is it a guaranteed method of getting a refund. The card issuer, in this case Santander, checks the nature of the claim against the possible chargeback reasons to check what evidence may be required and the timescales of the scheme. Card issuers don't have to submit claims. And will likely only do so where they believe there is evidence to support a successful chargeback claim. In this case Santander didn't believe it had enough evidence to proceed.

I've looked at the evidence Miss C sent in. There are a couple of photos but they aren't clear enough for me to be persuaded the decking is unusable or poor quality. In her emails to the merchant she has said the decking is poor quality and too soft. I'm not disputing Miss C's testimony but the chargeback scheme is evidence based. I've seen copies of letters (dated 19 September and 11 October) from Santander asking for the following information:

- Provide copy of order confirmation
- Detailed explanation of how the goods were not as described
- Date the goods were returned and proof of postage/ shipping details
- Details of how you have tried to resolve with the merchant

It included a prepaid envelope. The letters say if the information isn't received within the required time it wouldn't be able to pursue this further. I can't see that Miss C sent in this information. I've seen a claim form signed by Miss C dated 18 October. She has written on the form, by hand, for Santander to refer to the online link that came to her where she has uploaded all proof. Again I'm not disputing Miss C but she hasn't provided any of this evidence to this service so I'm unable to assess whether or not it would have been enough for Santander to consider it likely it would be a successful chargeback.

In response to our investigator's view Miss C again raised the multiple disputes as well as customer service issues related to closing her account. These appear to be new complaint points. If Miss C is still concerned she should raise them with Santander so it has a chance to investigate further.

Miss C has said she will pursue legal action. I understand Miss C will be disappointed with my conclusions. Nothing in this decision prevents her from pursuing the complaint through the courts. Although of course this would come with other costs and risks.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 28 February 2025.

Maxine Sutton
Ombudsman