

## The complaint

Miss H complains that Santander UK Plc failed to handle her chargeback request properly.

## What happened

Miss H hired a car from a hire company ("the merchant") and encountered some issues with it. She returned it early and the merchant agreed to give her a partial refund. It failed to do so and so she contacted Santander on 11 April 2024.

Miss H explained she hired the car for two days beginning 29 March 2024. She had made two payments to the merchant, £161.24 and £135.09 using her Santander Mastercard debit card. She told Santander that the merchant had verbally agreed to refund the charges apart from some £30 which was to cover insurance. She was content with this, but no refund was made.

Santander asked her for further information as follows:

### *"Information needed"*

- *A copy of the refund receipt — this must include retailers name, date, refund amount, card number (this may just show the last 4 digits) or copies of correspondence with the retailer or service provider confirming your refund.*
- *A copy of the unsuccessful transaction receipt.*
- *Details of any contact with the retailer or service provider, including copies of any correspondence where available."*

Miss H provided the following:

- A covering letter detailing the circumstances of her dispute.
- The original booking confirmation, including terms and conditions.
- A copy of her email to the merchant dated 16 April 2024 – and its acknowledgement of that email.
- Her email of 1 May 2024 chasing the merchant for a response. And its acknowledgement.
- A copy of her email to the merchant dated 9 April 2024, and two earlier emails of 7 April 2024 to the merchant.
- A copy of the invoice from the merchant dated 2 April 2024 for the car hire periods 29 and 30 March 2024.

Santander then asked her for confirmation from the merchant that it had agreed to make a

refund and how much she was claiming. It did so on 21 June.

Miss H responded to the 21 June letter by calling the bank on 26 June. She explained that she had sent 5 emails to the merchant and had not received a reply confirming the refund. The call handler explained that the bank required evidence from the merchant that it had agreed to a refund. The call handler also managed Miss H's expectations and said she may seek help from other sources such as Trading Standards.

The bank sent another letter on 11 July and on 7 October Miss H provided the information which was needed by which time Santander had closed the claim. The 21 June and 11 July letters both contained the following:

*"Please provide the information we've asked for within 14 working days using the enclosed prepaid envelope. We need this information to help us make further enquiries with the retailer's bank. If you don't return this to us within the required time we'll not be able to pursue this further and may have to close your claim."*

Miss H complained and Santander apologised if Miss H had been given any misleading advice by one of its call handlers that her claim would succeed. It offered her £50 for service failings, but said that the information she had supplied arrived too late to meet MasterCard's rules for making a chargeback.

Miss H brought a complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld.

Miss H asked that the matter be considered by an ombudsman. She also asked that we listen to the calls she had made to the bank.

### **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 have every sympathy with Miss H, but I do not consider I can uphold her complaint. I will explain why. I should add that I have listened to nine calls she had with Santander.

Firstly, I will explain how the chargeback regime works. Chargeback allows for a refund to be made of money paid with a credit or debit card in certain scenarios, such as when goods have been paid for and not received. A consumer cannot insist on their card company attempting a chargeback, but I would expect it to attempt one, as a matter of good practice, if there was a reasonable prospect of succeeding and to do so would be compliant with the rules of the card scheme to which the card belongs, in this case Mastercard.

Santander acts on behalf of the customer and is reliant on the information that they are able to provide. The onus is on the customer to supply all the relevant information. Furthermore, that has to be done within the time limit set down by MasterCard. Santander has no control over this process. Where the customer claims that the merchant has agreed to a refund MasterCard asks for evidence of this. Regrettably Miss H only had a verbal assurance from the merchant.

This meant she had to seek this evidence from the merchant, but it was unhelpful and it took Miss H many months to obtain confirmation that it had agreed to a refund. It is not clear why the merchant has not made the refund without going through the chargeback process.

However, Miss H relied on Santander getting her money back, but it was unable to do so.

Having listened to the calls I could not establish that Miss H had been told she would get her money back. Indeed the call handlers sought to manage expectations. What the call handler on 21 June did not do was tell Miss H that there was a time limit. In every other way the call handler explained what was needed. That said the letters sent to Miss H made it clear that if she didn't reply within 14 days the bank would not be able to pursue her claim.

It seems from all Miss H has said about the merchant that it was in no hurry to respond and so I think it unlikely that she could have obtained the information any earlier even if she had been fully aware of the time limit. As such, I cannot safely conclude that she was disadvantaged by the actions of Santander.

I appreciate Miss H found herself in a difficult situation, but I do not consider Santander can be held responsible for her not getting her money back. So while I appreciate Miss H will be disappointed by my decision I do not consider I can uphold her complaint.

Finally, I would add that I consider the sum of £50 compensation paid By Santander is fair and reasonable.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 9 April 2025.

Ivor Graham  
**Ombudsman**