

The complaint

Mrs C is unhappy with how Santander UK Plc handled a claim under section 75 of the Consumer Credit Act 1974 ('S75').

What happened

Mrs C explained she had a cyst on her face which her GP diagnosed as benign in May 2023. She says she asked for it to be removed, but it was explained that the NHS would not cover the cost as it would be classed as cosmetic.

Unfortunately, she says the cyst became infected in July 2024. She explains she again asked the GP about removal, but was told it would still be classed as cosmetic.

Mrs C then looked at getting the cyst removed privately. She said she was in touch with a clinic, who I'll refer to as 'B', who told her removal normally cost around £250. Mrs C says she paid a deposit of £50 and attended an appointment.

Mrs C says she was told by B that a surgical removal would leave a scar, and she was instead advised to get a different treatment which would take three sessions and cost £2,000.

Mrs C says B, in summary, then gave her a lot of confusing information and figures about what the treatment or package would cost. Mrs C says she told B she only wanted one session.

Mrs C says she then received a treatment which was very painful.

Following the treatment, Mrs C paid B £599 on her Santander credit card, but says she expected it to cost £250 and didn't understand why it was so expensive. She says B then told her she could still pay for the package of treatments for an extra £201, which she then did on the same card.

Mrs C says when she got home, she phoned B and explained she didn't understand what procedure she had undergone or the cost. She said B told her she'd had an injection to dissolve the cyst, and the price for the package of treatments had been reduced from £2,000 to £850. Mrs C says she realised the treatment had been misrepresented to her.

Mrs C then explains she asked B to provide a price breakdown, an explanation of the treatment and the clinician's qualifications. She then raised a complaint with B. In July 2024 B reimbursed Mrs C her deposit of £50 as a gesture of goodwill.

At the end of July 2024 Mrs C raised a S75 claim with Santander. Santander asked her to provide further information. But Mrs C says B gave her no paperwork at the time and she was still waiting for this to be received.

In September 2024 Santander sent Mrs C a letter about the S75 claim. In summary, this said that "*an invoice/receipt/contract & terms and conditions*" was required to investigate the

claim. It said as this was not provided it would not be able to pursue the claim further.

Mrs C says she then complained as she wasn't told she needed a receipt to raise a claim. Santander then spoke to Mrs C and apologised for not making it clear this information would be required. It paid her £50 to reflect this.

On 18 September 2024 Santander issued a letter explaining the complaint had been resolved after discussing it with Mrs C and explained she could refer it to our service.

Mrs C remained unhappy and told us about the complaint. She said she doesn't believe a receipt was required to raise a claim under S75. And she said Santander should reimburse her £850 along with £80 in interest for every month the matter had been unresolved.

In October 2024, B then refunded a further £800 to Mrs C as a gesture of goodwill without admission of liability.

Mrs C then explained to our service the impact this had on her. She said the treatment had left her with a scar. She said the situation had a significant impact on her mental health. And she said she thought Santander should also reimburse her another £850 along with £80 a month since the treatment.

Our investigator issued an opinion and didn't uphold the complaint. She said, in summary, that she thought Santander had been premature when it issued its response to the S75 claim. But she said she didn't think it had a reasonable chance of success either way. And she noted either way that Mrs C had now received a full refund. So, she thought the £50 paid to Mrs C was fair to reflect what happened.

Our investigator also explained that she thought a chargeback would have also been unlikely to succeed, but again noted Mrs C had received a full refund.

Mrs C disagreed. In summary, she said she didn't think Santander needed a receipt or treatment plan to progress a S75 claim and so should've done this at the time. And she said B was carrying out medical procedures without reasonable skill and care.

As Mrs C remained unhappy, the case has 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.

Having done so, I do not think this complaint should be upheld. I'll explain why.

Firstly, I'd like to explain to both parties that I'm not going to comment on every piece of evidence in relation to this complaint and I may not comment on every individual point raised. I want to reassure Mrs C and Santander that I've carefully thought about all the information. But in my decision, as I've done in the background above, I'm going to summarise things and focus on what I think are the key facts and the crux of this complaint. This reflects the informal nature of our service.

Mrs C complains about a claim made under S75. So, S75 is relevant to this complaint. This explains, under certain circumstances, that the borrower under a credit agreement has an equal right to claim against the credit provider if there's either a breach of contract or misrepresentation by the supplier of goods or services.

Firstly, I need to consider if Mrs C had a valid claim under S75.

In order for there to be a valid claim, there needed to be a valid debtor-creditor-supplier (DCS) agreement in place. I'm satisfied Mrs C paid B on her Santander credit card. And I'm satisfied she contracted for services with B and the procedure was performed on herself. Thinking about this, I'm satisfied a valid DCS agreement was in place for the transaction covered in this decision.

I've then considered the financial limits that apply to a valid S75 claim. Mrs C needed to have purchased a single item with a cash price of over £100 but no more than £30,000.

There is some debate over the pricing here. But I'm satisfied Mrs C paid for a 'package' of treatment which can be taken to be the single item. This was £850. So, I'm satisfied this falls within the financial limits for a claim.

What I then need to decide in this case is whether Santander did anything wrong with how it handled Mrs C's claim under S75.

Upfront I think it's worth explaining that I agree with our investigator that Santander was a little too hasty when it closed Mrs C's claim. I don't think it did anything wrong by asking her for supporting evidence. But, given the complexity of things and the difficulty Mrs C explained she was having in getting documents from B, I think it should've allowed her more time to gather this. And I've noted it also accepted it could've told her more about the documents required when she first approached it. I can see Santander paid Mrs C £50 to reflect how it handled things, and I think this is reasonable.

I've then gone on to think about what should have, and likely would have, happened had the claim been taken forward. But, having done so, I don't think Santander needs to take any action. I'll explain why.

Deciding whether a breach of contract or misrepresentation took place here would be complex. But considering the limitations of S75 and thinking about the circumstances of this specific case, even if I thought the claim both should've been taken forward *and* would've likely been successful, to resolve things I would find the funds she paid should be reimbursed to Mrs C.

Mrs C was offered, and accepted, a full refund of the amount paid to B in early October 2024, only a few weeks after the S75 claim began. I think given the amount of evidence and considering the complexity of investigating a medical issue, it's quite possible, if not likely, that this meant Mrs C got her money back quicker than she would have if the S75 claim continued and succeeded.

It's worth specifically explaining to Mrs C that I wouldn't ask Santander to refund the amount *again* regardless of what happened.

It follows that whatever I decided here, Santander wouldn't need to do anything to put things right. So, I'm satisfied I don't need to make any further findings.

I've also thought about whether Santander should've raised a claim under the chargeback scheme. But like above, even if I concluded a chargeback should've been raised, *and* would've then been successful, I would instruct Santander to reimburse Mrs C the amount paid. As she has already been reimbursed, I again don't need to make any further findings.

In summary, as Mrs C has already received a full refund for the amount she paid B, there is nothing further Santander needs to do under S75 or the chargeback scheme under the

specific circumstances of this complaint.

There are notes to suggest Santander also offered to pay £80 to Mrs C as a gesture of goodwill in relation to the claim. My understanding is she did not accept this. If she wishes to pursue this, she will need to contact Santander directly to see if this offer is still available.

Finally, Mrs C has explained B caused facial scarring and mentioned associated mental health issues. It's worth setting out to Mrs C that our service cannot make any award for 'loss of amenity', which means it's very unlikely, whatever happened, that our service would be able to make any award to compensate her for this. She should also be aware that, even if I did uphold the complaint, accepting any award, about any issue, could then affect her ability to take future action against the parties involved.

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 Mrs C to accept or reject my decision before 14 August 2025.

John Bower
Ombudsman