

## **The complaint**

Mr K complains Santander UK Plc acted unfairly by not refunding a payment he made using his debit card.

## **What happened**

Mr K booked a three-night stay at a hotel I'll refer to as H in November 2024, via an online booking platform, I'll refer to as B. Once at the hotel, Mr K made a payment of £114.24 to H using his Santander debit card.

Mr K says the room he was given had no Wi-Fi. So, on the second day he was moved to another room for the remainder of his stay, however Mr K says in this room the television didn't work.

He says he complained to B during his stay and on his return it reviewed matters and refunded a partial payment of £30.55. As this didn't resolve matters, he contacted Santander for help in getting the remainder of his money back from H.

Santander reviewed matters, but explained it was unable to raise a chargeback, which is a process of asking the merchant for a refund via the card scheme provider – Mastercard in this case. It explained this was because Mr K had stayed in the hotel, so there was not sufficient evidence to raise a dispute.

Mr K remained unhappy and continued to correspond with Santander for several months, explaining the service he'd paid for (the hotel room) hadn't been as described. As Santander didn't change its position, Mr K complained about the outcome of the chargeback and the way in which Santander handled matters.

Santander considered this, but reiterated it was unable to pursue a chargeback for the reasons it had previously given. It also didn't agree it had handled matters incorrectly, saying it had sent regular communication and when it had been unable to conclude its complaint investigation within eight weeks – it had referred Mr K to this Service. Unhappy, Mr K brought his complaint to this Service for independent review.

An Investigator here reviewed matters, but didn't think Santander had acted unfairly. They said Santander had correctly followed the chargeback process and as Mr K had stayed in the hotel, it was reasonable for Santander to not attempt a chargeback. They also initially considered the customer service Santander provided Mr K, wasn't something this Service could consider.

Mr K disagreed, saying as Santander didn't give him the opportunity to log the dispute, there was no way of knowing whether it would have been successful or not. He also said the distress and inconvenience he'd been caused since December 2024 was impacting his mental health.

Our Investigator reviewed matters again, and explained while their outcome hadn't changed in relation to the chargeback that had been raised, they had now considered the customer

service Santander had provided Mr K. Overall, they didn't consider Santander had acted unfairly in this regard either, saying it had communicated with Mr K regularly and while it had taken a little longer than required to give its answer to Mr K's complaint, no detriment had been caused.

As no agreement could be reached, the complaint 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.

Firstly, I should explain, in this decision I'll only be considering how Santander handled the chargeback claim Mr K raised with it, about his stay at H in November 2024. I won't be considering any other chargeback claims Mr K has raised with Santander here.

I should also say, I requested further information from both Santander and Mr K before coming to my decision. Santander responded, providing further details of the chargeback claim Mr K raised, but Mr K hasn't responded to any of our requests for further information. Taking everything that's been said into account, I think it's appropriate to continue to review matters and issue my final decision on this complaint.

### *Chargeback*

Chargeback allows for a request of a refund to be made of money paid with a plastic card in certain scenarios. I'm looking here at the actions of Santander and whether it acted fairly and reasonably in the way it handled Mr K's request for help in getting his money back. This will take into account the circumstances of the dispute and how H has acted, as well as the partial refund he received from B. But there are other considerations, such as the card scheme rules, which Santander must follow and its own obligations.

Chargebacks are not guaranteed to succeed, the recipient of the funds can choose to challenge or defend a chargeback if they don't think it is valid. A consumer also cannot require their card issuer to attempt a chargeback, as it isn't a right.

I should also say at this point, it appears Mr K made payment directly to H, B appear to have acted as the booking platform, so any chargeback Santander could have attempted would have been against H (as the recipient of the funds). While Mr K received a partial refund from B, he explained to Santander this was as a gesture of goodwill and the payment he made, for the hotel, was to H. As Mr K hasn't responded to our further request for information, I think it's reasonable to continue, taking into account what he's told Santander and this Service and review matters on this basis.

Santander has said it was unable to raise a chargeback because Mr K stayed at the hotel for the duration of his booking. Having considered this, there is no specific Mastercard rule which says a chargeback cannot be attempted when the accommodation was used. However, that said, I do think it's likely this would have been Mastercard's position.

I say this because, the other major card scheme – Visa – makes it clear in its rules that a chargeback situation like Mr K's (where services are alleged not to have been described) can only be made for the "unused portion" of the service. There is also separate guidance for Visa, that gives examples of this, which suggest the "unused portion" refers to nights where the accommodation has not been stayed in.

While I don't know for certain Mastercard would take the same view, there is generally a high

degree of similarity between the card schemes, so I think it's more likely than not, a chargeback for Mr K's stay would have been treated as invalid for this reason also.

Given this, I think even had Santander pursued a chargeback for Mr K, there would have been no real prospect of success, because he stayed at the property and didn't cancel. As such, I don't think Mr K has lost out as a result of Santander not pursuing a chargeback in this instance.

For completeness, even if I'm wrong on this point, I think there's other reasons Mr K's chargeback wouldn't have been successful. Here Mr K is complaining that the services at the hotel were not as described and were not delivered – as the Wi-Fi didn't work in his first room, and the TV was broken in the second room. Looking at the rules under which Santander could have attempted a chargeback, given what Mr K says, it seems the most suitable reason code here would have been *“Goods or Service were either not as described or defective”*.

Here, Mr K hasn't provided a description of what the hotel room would include, namely Wi-Fi or a TV, which is required under the rules, but I think it's fair to assume these would likely have been included. That said, the rules also say for a successful chargeback, evidence is needed that:

*“The merchant refused to adjust the price...”*

Here Mr K received a partial refund for the hotel stay (albeit via B), as such, I don't think had Santander pursued a chargeback it would have been successful in any case. As Mr K had already received a price reduction as a result of the issues he experienced.

Given this, I don't think Mr K has lost out as a result of Santander not pursuing a chargeback, for this reason either, as had it done so, I think it's unlikely to have been successful.

#### *Customer service*

Mr K has also complained about the customer service Santander has provided, specifically that he wasn't contacted for long periods of time and about the way he was spoken to on the phone.

Our Investigator initially didn't think this was something our Service was able to comment on. But later explained as Mr K's complaint on this point stemmed from the chargeback, then we could consider it. And based on what I've seen, I agree.

I can see Mr K has raised several complaints throughout this process about the way Santander handled matters but from what I've seen I don't think its acted unfairly. While it took Santander longer than expected to issue its final response, it had previously let him know he was able to refer matters to this Service in the meantime. I appreciate it's frustrating when a business doesn't meet certain timeframes, but here I think Santander kept Mr K notified of its progress and as he was able to refer the matter to this Service had he chosen to do so, he didn't lose out as a result.

I also think Santander spoke to Mr K in the way I'd expect, and I've not seen that it refused to speak to him, as he says. While I appreciate Santander may have asked for the same information more than once (namely details of any cancellation), that Mr K couldn't provide, in my view, it was doing what it could to support Mr K in making a claim. The fact Santander chose not to pursue the claim, as explained above, doesn't mean it acted unfairly in asking for this information.

Overall Mr K made regular contact with Santander about his claim and I can see it supported him, giving him a specific team to speak to if he remained unhappy. And while I appreciate he was disappointed in the outcome Santander gave him, this doesn't mean it acted unfairly in how it handled matters.

Overall, while I appreciate this will come as a disappointment to Mr K I don't think Santander acted unfairly here. Santander didn't pursue a chargeback as it considered there was no reasonable prospect of success, as Mr K stayed in the hotel. And based on the evidence I've seen, that seems reasonable, so I don't think Mr K has lost out as a result. I've also not seen Santander acted unfairly in how it handled Mr K's claim or its communication with him. As such, I won't be asking Santander to take any action here.

### **My final decision**

For the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 29 October 2025.

Victoria Cheyne  
**Ombudsman**