

## **The complaint**

Mr B complains about the way Santander UK Plc handled a claim he made to it.

## **What happened**

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

In October 2023 Mr B bought a heavy-duty battery product using his Santander credit card from a seller ('the supplier') for around £280.

Mr B approached Santander to raise a dispute in September 2024. In summary, he said that he had been having problems with the battery and the supplier had stopped responding to him.

Santander looked into the matter and considered a claim under Section 75 of the Consumer Credit Act 1974 ('Section 75'). However it declined the claim on the basis that the required 'Debtor-Creditor-Supplier' ('D-C-S') agreement was not in place for Mr B to have a valid claim against it for the actions of the supplier.

Mr B escalated a complaint about the claim outcome to this service. Our investigator thought that Santander was not correct on its DCS related conclusion. But overall, she did not think it was required to fairly refund Mr B in any event.

Mr B disagrees and has asked for the matter to be considered by an ombudsman.

## **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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

I am sorry to hear Mr B is unhappy with the goods he paid for. However, it is important to note that my decision is about the actions of Santander in handling the claim brought to it – and what it should fairly have done for Mr B in its position as a provider of financial services. In looking at how it handled the claim I consider the information reasonably available to it at the time, along with the relevant card protections available to Mr B including chargeback and Section 75.

### **Chargeback**

A chargeback is a way of disputing a transaction on a card. It isn't guaranteed to succeed but it might be good practice to raise one in certain circumstances. It is subject to the rules of the card scheme – in this case Mastercard.

I think Santander could not fairly assist Mr B with raising a chargeback when he approached it. I say this because a chargeback in respect of allegations of defective goods needs to be raised within 120 days of delivery of said goods. Here the order appears to have arrived around late October 2023 and Mr B contacted Santander about his dispute around a year later in September 2024. Which is clearly out of time to raise a chargeback here.

As the chargeback had no reasonable prospect of success, I am unable to fairly conclude Santander acted unfairly in not raising one.

## Section 75

Section 75 in certain circumstances allows Mr B to hold Santander liable for a '*like claim*' for breach of contract or misrepresentation in respect of an agreement by a supplier of goods or services which is funded by the credit card.

There are certain requirements that need to be met for Section 75 to apply – which relate to things like the cash price of the goods or the way payment was made.

Santander said there was no valid DCS agreement here for a claim against it because the payment for the goods was made to a third party. However, I am satisfied the third party was simply processing the payment for the supplier. It follows that for the purposes of Section 75 I consider there is a valid DCS agreement. I don't consider it is necessary to go into detail on DCS here. Because even if I were mistaken on that point, it doesn't make a difference to the outcome in any event.

As I think the requirements are in place for Mr B to have a valid Section 75 claim against Santander I have gone on to consider if there was persuasive evidence of a breach of contract or misrepresentation by the supplier which would reasonably have been available to Santander at the time it considered the claim. And if so, what Santander should fairly do now to put things right.

From the way Mr B presented the claim to Santander I don't consider it should reasonably have concluded this was a claim for misrepresentation. As it relates to allegations of faulty goods the claim appears to be about breach of contract. So I have focused on that here.

I note despite Santander eventually turning the claim down for DCS reasons it had invited Mr B to submit evidence to support his claim. I can see Mr B provided Santander with evidence including correspondence with the supplier, an invoice, and photographs. Santander has added that despite turning the claim down for DCS it does not consider there was persuasive evidence of an outstanding breach of contract in any event.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory".

The Consumer Rights Act 2015 says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

The Consumer Rights Act 2015 ('CRA from now on') says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of goods.

I note that Mr B purchased a heavy-duty battery. And appeared to be using it to power heaters. His primary issue which he complained to the seller about appeared to be in respect of the heaters cutting out and certain diagnostic voltage readings showing when this occurs. The battery doesn't appear to be a day to day purchase that Santander would expect to have a lot of knowledge about. So it was reliant on the information Mr B presented to establish its potential liability for faulty goods.

Mr B didn't appear to have an expert report at the time he submitted his claim. But he produced correspondence between he and the supplier as a primary method of supporting it. From looking at the correspondence it does not appear to be easy to determine when there is a fault with goods like these. I say this noting the following:

- it appears there are many variables at play in respect of battery performance—including what is being powered with the battery;
- its not clear what would be considered acceptable performance in a battery of this specification put to a particular use case;
- there is a suggestion that a Bluetooth module provided free with the battery might be malfunctioning rather than the battery (as this is provided without charge it likely wouldn't be something Santander is liable for under Section 75);
- the issues Mr B described appeared to be intermittent;
- the correspondence suggests that the performance issues Mr B outlines are a result of a battery not being fully 'balanced' which seems to be related to optimisation rather than a clear fault.

I appreciate the supplier says some things which suggest there could be a fault with the battery itself. But there wasn't confirmation of a fault by it. I can see the supplier offered to take back the battery to carry out a suggested balancing procedure (to see if this addressed the issues Mr B was having) but Mr B chose to carry this out himself instead. Had the supplier taken the item back, inspected it and confirmed the presence of a manufacturing fault it would have been clearer to Santander that there was a breach of contract in respect of the goods not being of satisfactory quality at the point of sale. I know Mr B has pointed to the provisions in the CRA regarding the presumption that a lack of conformity in the first six months is lack of conformity at the point of sale. However, a lack of conformity needs to be shown in the first instance. And secondly, the application of this presumption is not always compatible with the nature of goods or how they fail to conform. For the reasons I have detailed above I don't think Santander would necessarily have been acting unfairly in concluding there was insufficient information to show the goods were not of satisfactory quality at the point of sale.

However, even if Santander were to have accepted the goods were not of satisfactory quality at the point of sale, it appears the supplier offered a resolution which would be considered a repair. In the CRA the remedy of repair is an acceptable option at this stage. I can see that around April 2024 the supplier offered to carry out a certain procedure on the battery to address the issues described but instead Mr B said he could do it himself with the balancing module and instructions from the supplier.

The issue here is there was limited information presented to Santander to show what happened since this point. And I think it is difficult for Santander to have concluded it was liable for an outstanding breach of contract by the supplier noting:

- it was unclear what (if any) procedures Mr B had carried out on the battery to remedy the issue and what the results of this were;
- around 5 months had passed since the original offer of repair – introducing further variables as to the ongoing use and status of the battery;

- a lack of evidence of correspondence with the supplier since the offer of repair;
- the complex nature of the goods and the lack of an expert report or similar showing an ongoing issue that is likely due to a manufacturing defect.

Overall, I think Mr B had not presented sufficiently persuasive evidence for Santander to have fairly accepted his claim for breach of contract at the time in regard to the implied terms under the CRA. Furthermore, I don't think Mr B produced persuasive evidence that there were any explicit terms in the contract for sale which entitled him to a refund or replacement in the circumstances here. I know Mr B has referred to the supplier's assurances to make sure he gets a good battery – but I don't think these fairly give rise to specific contractual obligations to replace or refund the battery in the circumstances.

I can see that early on Mr B raised concerns with the supplier about the plug provided with the product. But the information he provided to Santander suggested the plug was not an ongoing concern (he doesn't appear to have asked the supplier for a replacement or rejected the goods on this basis). I do note that more recently Mr B got in touch with Trading Standards regarding product safety concerns of the plug provided with the product. However, this information does not appear to have been provided or reasonably available to Santander at the time it considered Mr B's Section 75 claim. So I don't consider it fair to say it should have concluded the goods were unsatisfactory quality on this basis (I also note in any event that at the time of writing Trading Standards were unable to confirm the item was non-compliant).

Overall, I don't think Santander acted unfairly in declining the Section 75 claim. And I am unable to fairly uphold Mr B's complaint about the handling of the claim here.

I know my decision will likely disappoint Mr B. However, I remind him I am not deciding in respect of the underlying quality of the goods, only on Santander's claim handling. Mr B can consider seeking independent advice as to the best course of action in respect of his underlying concerns about the safety or quality of the goods. He can decide if he wishes to pursue his claim against the supplier or Santander by more formal means (such as court).

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 December 2025.

Mark Lancod  
**Ombudsman**