

The complaint

Mr H complains that Santander UK Plc (“Santander”) has failed to help resolve a dispute he has about goods he ordered from a supplier that wasn’t as advertised.

What happened

In September 2024, Mr H ordered a multi-fuel stove from a supplier I’ll call ‘P’. He paid £2,222.70 for this using his Santander credit card.

When the product was installed, the installer told Mr H he’d bought a wood burner stove, not a multi-fuel one. Mr H contacted P who apologised and admitted this had been mis-advertised on their website. P offered Mr H a refund of £100 if he was happy to retain the stove that had been installed. Mr H didn’t agree with this as he never intended to purchase a wood burner stove. So, P offered to replace the stove with a multi-fuel one but didn’t agree to cover the cost of removing the stove that had been installed. P said Mr H essentially should have verified the product before it was installed.

Mr H then approached Santander for help in resolving the dispute. Santander raised a chargeback, but this was defended by P, who said they had made a reasonable offer to Mr H to remedy the issue. And P said it was unreasonable for them to cover the costs of uninstalling the stove, shipping it back to them, delivering the replacement stove and installing it.

Santander told Mr H they wouldn’t take the chargeback any further, following P’s defence. Mr H wasn’t happy with this and referred his complaint to our service. Our investigator recommended that it should be upheld. She said Santander should have considered the dispute by opening a claim under Section 75 of the Consumer Credit Act 1974 (s75), as the chargeback could only have resulted in a refund of the cost of the stove, and not the other disputed issues such as the cost of removal, return, delivery and re-installation. And she felt Mr H had a valid claim for breach of contract under s75.

Our investigator recommended that Santander rework Mr H’s credit card as if the cost of the stove hadn’t been paid by him in September 2024. And she recommended that Santander reimburse Mr H with the installation cost for the wrong stove, to cover the cost of taking out the stove and to arrange for it to be collected.

Mr H agreed with our investigator, but Santander didn’t. They said P had offered a fair resolution to the dispute and Mr H had stopped responding to them which prevented this from being carried out. Santander also said Mr H had confirmed he’d used the stove, and P couldn’t now accept this back and re-sell it, and that our investigator’s proposal would result in Mr H being put in a better position than he was entitled to.

As the matter remains unresolved, Mr H’s 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.

I'm looking here at the actions of Santander and whether it has acted fairly and reasonably in the way it handled Mr H's request for help for his dispute with P. This will take into account the circumstances of the case and how P acted.

There are two main ways a bank can help a customer to recover money paid to a supplier who hasn't provided what was promised. It can try to recover the money from the supplier through a process known as chargeback. Or it can assess whether its customer has a valid claim under s75.

Firstly, there's no dispute that Mr H was sent a stove that wasn't as advertised by P. P admitted this, as they told Mr H the advert for the stove incorrectly described it as being a multi-fuel one, whereas Mr H received a wood-burning one. So, I'm satisfied it's been established that the goods Mr H ordered weren't 'as described'.

When Mr H contacted Santander, they raised a chargeback for him. However, the most Mr H could have received from this, had it been successful, was a refund of the £2,222.70 he paid for the stove. He would have then been left with how to arrange for the stove to be uninstalled and returned to P. Furthermore, Mr H had already provided Santander with evidence prior to them raising a chargeback that P wasn't prepared to cover the cost of removing the stove, and that he wasn't happy with this. This evidence was in the form of e-mails between Mr H and P. So, the dispute in my view would never have been resolved in its entirety through the chargeback process. The more appropriate avenue for Santander to have considered the dispute would have been by determining whether Mr H had a valid claim under s75.

S75 provides that in certain circumstances 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.

As well as s75, I consider the Consumer Rights Act 2015 ("CRA") is relevant here. This sets out the requirement that goods are to be provided 'as described'. As I've mentioned above, P admitted the stove wasn't correctly advertised. So, the goods Mr H bought weren't 'as described', which was a breach of contract.

Section 19 of the CRA sets out the remedies available to consumers where goods aren't as described. So, I've taken this into account. The CRA says consumers have a short-term right to reject in such situations, and if that doesn't apply, the right to ask for a repair or replacement, with a final right to reject the goods or a suitable price reduction being the final option.

It seems to me that Mr H was prepared to accept a replacement of the stove, rather than rejecting it and asking for his money back, I say this because I haven't seen that Mr H told P he wanted to do the latter. However, what's clear to me is that agreeing a replacement didn't resolve the issue either. Mr H has mentioned that the replacement that P offered wasn't suitable for him because it was a different stove with different dimensions and measurements which would need to be repositioned in his property to comply with fire regulations.

I've also noted that P offered Mr H the chance to keep the stove that was incorrectly described and to accept £100 off. However, Mr H would then have been left with a stove he didn't want and had no intention of ever ordering.

It could be that a replacement might have been the best way to resolve this dispute.

However, there were clearly points of difference between Mr H and P about this which likely wouldn't have led to an amicable solution. P said it wouldn't be reasonable to hold them liable for the cost of uninstalling the stove, delivering it back to them, delivering the replacement stove and installing it. However, I don't think Mr H bearing all those costs is fair. Ultimately, this dispute came about because of a breach of contract by P in that they didn't deliver goods 'as described'. Expecting Mr H to bear the costs of arranging and installing a replacement and returning and uninstalling the stove that he received (having already paid an installer to fit the stove) is in my view an unreasonable position for Mr H to have been left in.

That then leaves the option of a final right to reject or a price reduction. A price reduction would essentially mean Mr H keeps the stove that he didn't want in the first place. In my view, the fairest and most appropriate remedy for Mr H, taking into account the CRA and the circumstances of this complaint, is that he should be allowed to exercise his final right to reject the goods. I'm assuming here of course that the stove remains in place at the moment.

I've considered Santander's comments about Mr H using the stove. I don't though think this negates his final right to reject the stove, as set out in the CRA. The stove technically already had been used when it was installed, as the installer had to smoke-test it and fire it up. So, P's comments that they wouldn't be able to re-sell the goods because Mr H used it is in my view thrown into some doubt anyway. It should be remembered also that Mr H had no idea he had received the wrong goods until the installer told him this, and I'm afraid I don't agree with Santander that it was up to him to check this. A reasonable person would expect the item they ordered, in line with its advert, to have been provided to him.

Overall, I think there are reasonable grounds to say that Mr H should be allowed to reject the goods and receive a full refund, by Santander re-working his credit card appropriately. I don't think it reasonable for Mr H to bear the cost of uninstalling the stove and returning it. So, Santander will need to arrange for this to happen or ensure that Mr H bears no cost in doing so. Santander should also reimburse Mr H the cost of installing the stove, upon suitable evidence of this from him, with interest.

Putting things right

Santander should put things right by taking the action I will set out below.

My final decision

For the reasons I've set out above, I uphold this complaint and direct Santander UK Plc to do the following:

- Re-work Mr H's credit card as if it had not debited the £2,222.70 on 16 September 2024. If said re-working results in a credit balance it should repay this to Mr H with 8% simple yearly interest calculated from the date of credit balance to the date of settlement.
- Refund Mr H the installation cost he incurred upon suitable evidence of this from him. Interest of 8% simple should be added to this each year from the date of payment to the date of settlement,
- Arrange for the goods to be returned and ensure that Mr H bears no cost for this or its uninstallation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 12 December 2025.

Daniel Picken
Ombudsman