

The complaint

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

What happened

In October and November 2024, Mr B paid a total of £3,000 across three payments via his Santander credit card, to a company I'll refer to as M for an online course.

Mr B says much of the course was incomplete and he didn't receive personalised coaching or access to a funded account, as he was told. Mr B says he contacted the merchant to request a refund, and as he didn't receive this, he contacted Santander for help in getting his money back.

Santander requested further information from Mr B, to see whether it could raise a chargeback with M, which is a process of asking the merchant for a refund via the card scheme provider. It also considered whether it could raise a claim under Section 75 of the Consumer Credit Act 1974 (CCA). But on review it explained that without a copy of the contract or terms and conditions, it was unable to raise a chargeback, or conclude there had been a misrepresentation or breach of contract under section 75. Santander didn't change its position after Mr B complained, so he referred the matter to this Service for review.

An Investigator here reviewed matters but didn't consider Santander had acted unfairly by not pursuing a chargeback or section 75 claim, as Mr B hadn't provided it the necessary information in which to do so.

Mr B didn't agree, saying the invoices and messages he'd shared with Santander and this Service evidenced a breach of contract following the payments he made. Our Investigator reviewed this, but didn't consider it changed the outcome, as Mr B still hadn't been able to evidence what he'd paid for.

As no agreement could be reached, the complaint was passed to me to decide. I issued a provisional decision, explaining why I didn't intend to uphold this complaint. I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I think it would be helpful to explain, in this decision I'm only able to consider how Santander handled the dispute Mr B raised with it. I say this because, I note Mr B has pointed to information from the Financial Conduct Authority (FCA) relating to some of the companies involved here – but that isn't a complaint I can see he's raised with Santander, and nor can I see it's the company he paid. I'm also not able to consider the actions of M or T, as that isn't within the jurisdiction of this Service for these types of complaints.

When a consumer approaches their credit card issuer with a problem with a purchase made using their card, it can try to reclaim the amount (or part of the amount) the consumer paid on their card, via the dispute resolution mechanism operated by the card scheme

(Mastercard in this case), and which is often known as “chargeback”. Where the payment has been made using a credit card, it can also consider a claim under section 75 of the CCA. I will consider each of these mechanisms in turn below.

Chargeback

Chargebacks are not guaranteed to succeed; the recipient of the funds (M in this case) can choose to challenge or defend a chargeback if it doesn’t think it is valid. But I would expect Santander to attempt a chargeback if there was a reasonable prospect of success.

Here, Santander didn’t pursue a chargeback, it says Mr B hadn’t provided sufficient information to evidence what he’d paid for.

As Santander didn’t pursue a chargeback, I’ve thought about what would have most likely happened, had it done so. If the card issuer decides to pursue a chargeback, it must be done so under one of the reason codes, set out in the rules. Here, I note on the dispute form Mr B completed he’s selected “Goods or services not received”, as such Santander could have pursued this under the reason code: “Goods or Services Not Provided”. That seems reasonable as Mr B says he didn’t receive the service he paid for.

For this reason code, the rules set out conditions under which a dispute can be processed. In summary, this says the cardholder must have engaged in the transaction and the goods or services were not received. To evidence this, supporting documents including emails, letters, messages or a completed dispute resolution form, must be provided.

Mr B did that here, he completed the dispute resolution form for each transaction and provided Santander with the emails and copies of the messages he’d received - outlining the service he expected to be provided. As such, I think it could be argued that Santander had enough under the rules to raise a chargeback here.

That said, if I conclude Santander should have raised a chargeback based on the evidence Mr B provided, I’d also need to be satisfied, had a chargeback been pursued there would have been a reasonable prospect of success. But based on the evidence provided I’m not persuaded there was a reasonable prospect of success in this case.

That’s because, Mr B has confirmed he was given access to some of the training – he’s said he was given access to the video course. And from what I’ve seen it also appears he was offered personalised training, but it isn’t clear whether he engaged in that. Overall, there isn’t strong evidence here to show what was included in the course, and how the parts Mr B received differed from that. I’ve also not seen confirmation the payments Mr B made here included access to a funded account, as he says.

For completeness, I’ve also considered the other reason codes Santander could have used to pursue a chargeback, but for the same reasons as above, I don’t think there would have been a reasonable prospect of success either.

Overall, because I’m not persuaded a chargeback would likely have seen Mr B receive a refund, I don’t think he’s lost out as a result of Santander not raising one. As such, I plan to say Santander hasn’t acted unfairly here.

Section 75 of the CCA

Here, Santander didn’t raise a claim under section 75 as it says it didn’t have the necessary information in which to do so, so I’ve considered what more likely than not, would have happened had it done so, based on the information available.

Section 75 of the CCA allows consumers who have purchased goods or services using a credit card, to claim against their credit card issuer in respect of any breach of contract or misrepresentation by the supplier of those goods or services, so long as certain conditions are met.

One condition which needs to be met for section 75 to apply, is the claim must relate to an item with a cash price of over £100 and no more than £30,000. While I haven't seen anything listing the total price of the course Mr B was intending to pay for, I have seen he made three payments, totalling £3,000. As such, I think it's likely the cash price was within the limits here.

A further condition that needs to be met, is that there needs to be what is known as a debtor-creditor-supplier ("DCS") agreement in place. What that means is normally for someone to make a valid section 75 claim against their credit card issuer, the creditor needed to have funded the payment made in return for the provision of the goods or services under the contract in question.

Here, Mr B wasn't supplied with a contract or terms and conditions, so it's difficult to know for sure who the "supplier" is, for the purposes of DCS. Mr B has said he purchased the course from T and has provided three invoices for the payments he made, dated 7, 11 October and 6 November 2024, these are headed with the details of T. But his credit card statement shows payments for the same amounts, on the same dates, were made to M.

A DCS agreement is defined in section 12(b) of the CCA as follows:

"a restricted-use credit agreement which falls within section 11(1)(b) and is made by the creditor under pre-existing arrangements, or in contemplation of future arrangements, between himself and the supplier..."

Section 11(1)(b) of the CCA says that a restricted-use credit agreement is a regulated credit agreement used to 'finance a transaction between the debtor and a person (the 'supplier') other than the creditor [...] and "restricted-use credit" shall be construed accordingly.'

But here, as neither a contract or terms and conditions are available, it's difficult to know who supplied the online course or access to the funded account Mr B expected to receive. It could be that M are a trading name of T, but I haven't seen anything within the information provided, or my own research, to confirm that, or that they are associates of one another, as the CCA can, in some scenarios, allow for.

As such, it's a little ambiguous as to whether the payment Mr B made met the requisite technical agreement, as it's not clear here whether the party Mr B paid is the same that supplied the service.

However, I don't think that whether there is a necessary DCS agreement in place here makes a difference in this case. That's because in order to uphold this complaint, I'd need to be persuaded there had been a breach of contract or misrepresentation by T. But I've not seen that to be the case, I'll explain why.

Misrepresentation

For the purposes of this case, a misrepresentation is a false statement of fact which induces another party into a contract which leads them to suffer a loss.

On this point, Mr B has provided messages and an advertisement that he says show what he expected to receive, but unfortunately, I don't think they do.

The advertisement only says:

“To get funded up to £100,000 book a call now”

This doesn't make any confirmation this is the amount Mr B would receive and also appears to be from a third-party. So I can't say this would amount to misrepresentation for the purposes of section 75.

While the messages reference a course, they don't contain sufficient detail as to what this will contain and how that differed to what Mr B received. They do say Mr B will receive access to certain trades, but again this isn't detailed or say he has access to the funded account, as he expected.

As a result, I'm not able to conclude there has been a misrepresentation in this case, for the purposes of section 75. As such, had Santander considered Mr B's claim I don't think it would have been acting unfairly in declining it. So Mr B didn't lose out as a result.

I've therefore gone on to consider whether there has been a breach of contract.

Breach of contract

A breach of contract occurs when one party to the contract fails to discharge its obligation to the other. These obligations may come about as a result of the express term of the contract, or because of terms implied by legislation.

Here, there was no formal contract, but as I've explained above Mr B has provided evidence of messages outlining what would be included. However, there is no detail surrounding these, or information as to what exactly Mr B should have received. As such it's difficult for me to say there has been a breach of contract based on the information supplied here.

While a claim under section 75 can, on occasion, take into account terms implied by the Consumer Rights Act 2015 (CRA), I don't think that would result in a different outcome either.

That's because I haven't seen enough to confirm details of the service Mr B purchased here, to say he complied with these or that T failed to provide the service in accordance with the agreement. As such, I'm not persuaded there has been a breach of contract in this case.

As I haven't seen anything that amounts to a breach of contract, I don't think Santander would have been unfair in declining a claim, under section 75, had it considered it.

Taking everything into account, I don't think overall Santander has acted unfairly here. While it could be argued it had sufficient information to pursue a claim under chargeback, I don't think there was a reasonable prospect of success, so Mr B hasn't lost out as a result. And, while it's not clear whether Mr B's claim met the necessary technical requirements in order for there to be a valid section 75 claim, I've also not seen evidence of a breach of contract or misrepresentation. So I don't plan to ask Santander to take any action here.

Responses to my provisional decision

I invited both parties to respond with any further points or evidence they wanted me to take into account before I issued my final decision.

Mr B responded to my provisional decision, reiterating the personalised training he was offered was never delivered. He also questioned whether I'd reviewed the webinar he'd previously provided.

Santander also responded but didn't have anything further to add.

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've reached the same outcome as set out in my provisional decision.

Firstly, I want to reassure Mr B I've reviewed all of the information provided by both parties, this includes the webinar he's shared with this Service. While I may not have commented on everything, it doesn't mean I've not seen it.

However, on that point, I should say, the webinar Mr B provided doesn't make specific reference to what he, personally, would receive. While it talks about what could be included in the course it appears to be directed at a large group of people, rather than just Mr B. As it's not clear what Mr B should have received, I'm not able to conclude there has been a breach of contract as a result.

In addition, I appreciate Mr B has said he didn't receive the personalised training he says he was offered. However, as explained, based on the evidence available it's not clear the format this should have taken, or the steps Mr B took or was required to take, to engage with any offer of this he received.

Overall, I know this isn't the answer Mr B will want to receive, but based on the limited evidence available, I can't conclude Santander acted unfairly here. While it could perhaps have pursued a claim under chargeback, I don't think there was a reasonable prospect of success, so I don't think he's lost out as a result. And I've also not seen evidence of a breach of contract or misrepresentation, necessary for a section 75 claim to be successful. 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 B to accept or reject my decision before 24 November 2025.

Victoria Cheyne
Ombudsman