

## **The complaint**

Miss G complains about the way Santander UK Plc handled her chargeback request.

## **What happened**

In August 2025, Miss G paid for a holiday chalet (the 'chalet') for two weeks via a booking agent that I'll refer to as 'T'. She paid T £630 using her Santander debit card (the 'card'). Miss G was dissatisfied with the condition of the chalet. She says she also felt unsafe due to the communications she received from the owner of the chalet. At the end of her stay, which was for the full two weeks, Miss G received an offer of £50 from T but she wanted a full refund, so she contacted Santander for help. However, Santander declined to raise a chargeback claim. Miss G complained and when Santander maintained its position, she referred this matter to our Service.

Our investigator didn't recommend upholding the complaint. Miss G asked for an ombudsman to review this complaint. Amongst other things, she said Santander had raised the dispute under the incorrect reason code and, overall, she was unhappy about its service.

## **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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service. However, I've given careful consideration to all of the submissions made before arriving at my decision.

I know Miss G has referred to section 75 of the Consumer Credit Act 1974, but as she paid for the chalet using a debit card, I don't think this is relevant to this particular case. I do think, however, that Santander could've reviewed Miss G's request for a refund under the relevant chargeback scheme, which in this case is run by Mastercard.

My role in this case is limited to deciding whether Santander did anything wrong when Miss G asked it for a refund. In this particular case, as noted above, the main way Santander could offer to help Miss G obtain a refund was via the Mastercard chargeback dispute scheme. But Santander has to follow Mastercard's chargeback rules. It has no discretion to depart from them. And if there is any ambiguity in the rules or any rules which could be interpreted in either of two ways, it is Mastercard's interpretation of the rules which counts, not Santander's.

Santander told Miss G that the chargeback rules say a dispute can't be raised for the issues she was raising as the chalet had been used for the full amount of two weeks and wasn't cancelled. I can see Santander has previously been told, in writing, by Mastercard that this is how it (Mastercard) interprets and applies its own rules. Mastercard had said by using the services, the cardholder is accepting the services as provided. And as a result, there are no

dispute rights. So, I don't think Santander has acted unreasonably or unfairly for not pursuing this matter any further.

I understand Miss G did not consider herself to be accepting the poor service that she was complaining about. Rather she says she had no choice but to stay at the chalet in question. I've reviewed the emails between Miss G and the owner of the chalet. It seems the main reason Miss G didn't cancel the booking was because she didn't want to pay a higher price elsewhere and properties would be limited due to the time of year. I sympathise with Miss G's situation and the reasons she gave for not cancelling her booking. But I don't think Santander was in any position to substitute its own judgement for Mastercard's. If it had done so, then T would've appealed to Mastercard. And based on what Mastercard had told Santander previously, I think it's likely Miss G's dispute wouldn't have succeeded. So, I'm satisfied Santander has acted fairly and reasonably in Miss G's case.

I know Miss G disagrees with the reason code used by Santander which she says was 'services not rendered/provided'. But even if Santander had used the reason code 'goods/service not as described/defective', I don't think her dispute had a reasonable prospect of success. I say this because she stayed at the chalet for the full booking term. So, based on what Mastercard has told Santander, the claim isn't valid under its chargeback scheme rules.

I note Miss G has said that she has found the way Santander handled things lacked clarity and/or transparency. She says that it didn't give her a full explanation of why it turned down her claim until she came to our Service. But all in all, I think Santander provided Miss G with reasons why it wasn't pursuing matters and as I've said above, I don't think these reasons were unfair or unreasonable. I can also see that Miss G was unhappy about delays to receiving letters and about the service provided by Santander during the chargeback process. However, overall, I can't see there were any unreasonable delays in dealing with her claim or other customer service issues for which compensation is warranted in this case.

For all these reasons, I'm not upholding this complaint. I appreciate this will be a disappointing outcome for Miss G.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 24 March 2026.

Yolande Mcleod  
**Ombudsman**