

complaint

Mr G complains that Santander UK plc won't refund cash transaction fees on payments he made to gambling websites using his credit card. He'd like it to refund fees of more than £900.

background

Mr G has used his Santander credit card to make payments to online gambling companies. He accepts that Santander's terms and conditions provide that if it considers a payment to be a gambling transaction, it will treat it as a cash transaction, and make a charge. But the online gambling companies have made substantial refunds to his credit card and he considers that Santander ought to refund the cash transaction fees to the extent that they relate to the amounts refunded. He points out that other card issuers either don't charge cash transaction fees for gambling transactions in the first place, or refund the fee if the gambling company makes a refund to the card.

Santander doesn't dispute that gambling companies have made refunds to Mr G's credit card. But it says the fees were charged for making use of its service. Since they were correctly charged, it's not willing to refund them. It accepts that its practices and procedures may differ from those of some other card providers. But the fact that other providers may be willing to refund cash fees in Mr G's circumstances doesn't mean that it's obliged to do the same. It has, however, paid Mr G £40 by way of apology for delays in handling his complaint.

Our adjudicator didn't recommend that the complaint should be upheld. He accepted that other providers may have been willing to refund cash transaction fees where a refund was made. But he explained that there was nothing in Santander's card terms and conditions which obliged it to refund the cash transaction charge if the gaming company made a refund to the card.

Mr G is unhappy with the adjudicator's view. He reiterates that he doesn't dispute Santander's right to charge the fees, which he accepts are provided for in the terms and conditions. But he still believes it should refund the fees to the extent that they relate to the amounts subsequently refunded.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I have reached the same conclusion as the adjudicator, for similar reasons. There is little I can usefully add to what he said.

I can understand why Mr G considers that if a transaction on his card is treated as a cash advance, but subsequently refunded, any fee that was charged in connection with the transaction should also be refunded. And I can see that the fact the other card issuers have refunded fees in similar circumstances may have strengthened his belief.

But I have to consider the terms and conditions of this particular card. As Mr G accepts, they allow Santander to treat gambling transactions as cash transactions and to charge a fee for them. But they don't provide for those fees to be refunded if a refund is subsequently made

to the card by the gambling company. I'm sorry to disappoint Mr G, but it follows that I can't fairly require Santander to refund the charges to him.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr G to accept or reject my decision before 17 April 2015.

Juliet Collins
ombudsman