

The complaint

Mr P complains that Santander UK Plc did not raise a chargeback for a full refund of his purchase of two flights.

What happened

In October 2022 Mr P bought two return flights to another country, for himself and his mother. He booked them through a travel agency. The flights were scheduled for November. Mr P paid for them with his Santander debit card. The price of the tickets was supposed to be about £651 each, but he was unexpectedly charged about £714 each. He complained about the price difference, and asked Santander to raise a chargeback, which it did. That chargeback was successful, and in December Mr P was refunded about £126, being the difference between the correct price and the price actually charged.

Meanwhile Mr P's mother had become ill, and so neither of them took the flights. After the date of the outbound flight, Mr P asked for a full refund, but the travel agency said its policy was that it paid no refunds for cancelled flights. (Flights could be re-booked for alternative dates instead.) Mr R then asked Santander for a full refund, but Santander declined to do that, as only one chargeback can be raised for a transaction, and a chargeback had already happened. (Santander did pay him £150 by way of apology for some modest customer service failings while speaking to him on some phone calls about the chargeback process.) Being dissatisfied with that outcome, Mr P brought this complaint to our service.

Our investigator did not uphold this complaint. He said that Santander could not raise a second chargeback, and if it had tried to re-open the original chargeback then there would not have been a realistic prospect of success. That was because Mr P had not asked for a refund until after the date of the flights. (He thought £150 was fair compensation for the matters for which it had been paid.)

Mr P asked for an ombudsman to review his case. He said that due to having been made redundant, he could not afford the loss of £1,300. He also showed us an email he had received from the airline saying that the airline had recently paid another refund to the travel agency.

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 do not uphold it. I will explain why.

Once a chargeback has been raised for a transaction, a second chargeback cannot be raised for the same transaction. I have thought about what might have happened if Santander had sought to re-open the first chargeback (assuming that's possible) to claim a full refund instead of a partial one. However, I don't think that would have been successful either, because Mr P did not ask for a full refund until after he and his mother had missed their flights. For that reason, I don't think that Santander was obliged to refund him, or that it

could have obtained a favourable outcome under the chargeback scheme.

(I have still considered the recent email from the airline to Mr P, which says the airline has paid a refund to the travel agency. But I don't think this helps Mr P. His card payment was made to the travel agency, not to the airline, and so any chargeback dispute could only be raised against the travel agency. So the chargeback would have to be decided taking into account the travel agency's terms and conditions about cancelled flights, not the airline's. The flight booking confirmation says there are no refunds in the event of cancellation. Nevertheless, the travel agency's terms and conditions (which are published on its website) contradicts that, saying "*You must call us on [phone number] to change or cancel your trip.*" However, that does not assist Mr P, because the travel agency told our investigator that Mr P had approached the airline directly to ask it for a refund, without telling the agency (this was after the partial refund of £126 had been paid to him as a result of the successful chargeback). So because he had not complied with the agency's refund policy, it said it was still not obliged to refund him the £958 it has received from the airline. Having regard to the agency's terms and conditions, I don't think a chargeback could have compelled the agency to forward the second refund to Mr P.)

Finally, I agree that the £150 Santander paid Mr P for making some errors in his phone calls to the bank is fair compensation for that issue.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 17 October 2023.

Richard Wood
Ombudsman