

## **The complaint**

Mr J complains that Santander UK Plc won't refund him his money for a training course.

## **What happened**

In October 2023 Mr J used his Santander credit card to pay over £1000 for an online trading course. He says he was persuaded into it and suffers from a condition which means he makes impulsive decisions. He says he tried to withdraw from the course but the supplier wouldn't refund him. So he took this dispute to Santander.

Santander considered his dispute with the supplier and considered it under chargeback and under a claim under section 75 of the Consumer Credit Act 1974 ("S75" and "CCA" respectively). It concluded that it didn't have to do anything further for Mr J. Feeling that Santander's position to be unfair Mr J brought his complaint to this service.

Our investigator looked into the matter. Overall, he felt that Santander had fairly treated Mr J. Mr J didn't agree. So the 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 should make very clear that this decision is not about the supplier who sold the course which isn't a financial services provider and doesn't fall within my remit regarding either chargeback or Section 75. Mr J has made very few arguments about how Santander treated his claim unfairly, but rather focussed his displeasure at the supplier. Whatever the issues there maybe with the supplier here, and just because Mr J says he has lost out, it doesn't necessarily follow that Santander has treated Mr J unfairly or that it should refund him. And this decision is solely about how Santander treated Mr J. I hope this distinction is clear.

I should also note that Mr J has raised a large number of issues in this dispute. I've considered them all. However I've chosen to address those arguments which he's raised which I see as key to this dispute and key to reaching a fair outcome on this matter.

There's no dispute that Mr J's Santander card was used here in this transaction. So I don't think Santander did anything wrong by charging it to his account when it did.

*chargeback*

In certain circumstances, when a cardholder has a dispute regarding a transaction, as Mr J does here, Santander (as the card issuer) can attempt to go through a chargeback process. Chargeback is a voluntary process which is decided simply on the facts of the dispute within the rules of the card scheme (not managed by Santander). I don't think Santander could've challenged the payment on the basis Mr J didn't properly authorise the transaction, given the conclusion on this issue that I've already set out.

Santander didn't pursue the matter through chargeback, so I've considered whether Mr J has lost out as a result of this. I can see Mr J asked the supplier for a refund and it pointed to its terms and conditions which set out a refund was available if Mr J could show he'd followed the course for a significant time and fulfilled the tasks required. Mr J accepts he got access to the course but says he didn't pursue it. Bearing in mind that the supplier liaised with Mr J and that the course was provided to Mr J, I am not persuaded that had Santander pursued a chargeback that the supplier would have paid a refund. I think it likely it would have pointed to its terms and why a refund wasn't due in these circumstances. And had such a chargeback gone to the end of the process, I think it unlikely it would have succeeded for the same reasons. So I'm not persuaded that Mr J has lost out because of this. So I don't think Santander has anything further to do in respect of chargeback.

### *The CCA*

The CCA introduced a regime of connected lender liability under S75 that afforded consumers ("debtors") a right of recourse against lenders ("creditors") that provide the finance for the acquisition of goods or services from a third-party merchant (the "merchant"). S75 says:

*"If the debtor under a debtor-creditor-merchant agreement falling within section 12(b) or (c) has, in relation to a transaction financed by the agreement, any claim against the merchant in respect of a misrepresentation or breach of contract, he shall have a like claim against the creditor, who, with the merchant, shall accordingly be jointly and severally liable to the debtor."*

So the test is here, did Santander consider Mr J's S75 claim to it fairly, or in other words are the pre-requisites of the CCA in place (financial limits and Debtor Creditor Supplier arrangement) and is there a breach of contract or material misrepresentation made out here against the supplier that Santander should fairly be held responsible for. I'm satisfied the financial limits test is made out here as well as the arrangement requirement. So I now consider breach and misrepresentation as I see these as the key aspects of Mr J's complaint.

Firstly and a substantial factor in my decision making is the fact that Mr J accepts that the course was provided and he didn't pursue it. So on the face of it the supplier supplied the agreed training course, which would mean it didn't breach the agreed contract.

Mr J says he was misrepresented into agreeing the contract. He focusses says the supplier says *"no one can guarantee you to get funded."* The comments he refers to are significantly different which say the course is a *"a guaranteed way to get funded."* So it wasn't a 100% guarantee in any event, it was predicated on Mr J following the course all the way through and being sufficiently successful. I've considered the website of the supplier which Mr J saw and note it has comments such as it *"may publish testimonials or descriptions of past performance. Still, these results are NOT typical, do not indicate future results or performance, and are not intended to be a representation, warranty, or guarantee that you will obtain similar results. (the founder)'s experience with trading is not typical, nor is the experience of students featured in testimonials. Becoming an experienced trader takes hard*

*work, dedication, and a significant amount of time. Your results may differ materially from those expressed or utilised by (the supplier) due to several factors.*" The website also explains how it has a process of going through the educational programme and then going through making trades and eventually based on success having the opportunity to join a linked firm which provides funding to traders to trade with.

So it's clear from what the website says that many people fail in this field. But this supplier provides a route to being a funded trader for those who are sufficiently successful. Mr J didn't do the course so didn't qualify for a refund that was available if he'd been unsuccessful, nor did he pursue the matter through the various stages to get to a point where he could demonstrate his successes to enable him to become a funded trader. So I'm not persuaded there's a material misrepresentation here which Santander has considered unfairly. Mr J has to show what the supplier says was untrue *and* that he relied on it *and* that he lost out as a result. Here I think, based on him never properly engaging with the course he's lost out as a result of purchasing a course he wasn't committed to continuing with. This is supported by his comments to the supplier in an email where he explains he did this on impulse. He also says "*At the time I said I could not really afford it but ended up putting myself in debt on my credit card. I am now reflecting and realise I should not have done this.*" Mr J goes on to say "*I realise that your course will work for some people but not everyone.*" So Mr J accepted in his conversations with the supplier that the course will work but not for everyone, by which I think he's suggesting it wasn't right for him. So I am not persuaded Santander has unfairly considered his claim of misrepresentation.

Mr J says the contract he agreed included unfair contract terms. I'm not persuaded by this. I've considered the matter and the rules applicable here in relation to such digital content. I can see Mr J didn't pursue the course he bought and that a refund was available had he done so. So I don't think Santander has treated him unfairly.

Mr J says he was vulnerable at the time of making the purchase and has conditions which should be considered. It is true that Santander should consider these issues when dealing with Mr J in regard to his account with it. However the supplier here doesn't have such obligations and I've not seen persuasive evidence of it knowing about these conditions prior to Mr J making this transaction. And Santander is only responsible for considering Mr J's S75 claim fairly which means it only has to consider whether the supplier breached the contract or misrepresented the matter to him. It isn't responsible for broader issues such as the customer service the supplier provided.

Mr J says due to his conditions he doesn't have the required characteristics to be successful in such work and thus, in essence, could never have been successful on the course. I've no reason to doubt Mr J's comments on this. But just because that may be true doesn't mean Santander has considered the matter unfairly. Mr J accepts he paid for the course and that for some people they could have been successful. And I'm not persuaded its treated him unfairly bearing in mind he didn't pursue the course and didn't qualify for a refund.

Mr J says he feels let down by Santander and that he felt he was covered by it and the consumer protection rules. I'm sorry to hear this but the protection Mr J refers to isn't a 100% safety net for all transactions consumers make. S75 and implied terms such as those in the Consumer Rights Act 2015 provide 'protection' (as Mr J refers to it) so that they are treated fairly in the round considering the positions of both the supplier and the consumer. Mr J made this transaction and quickly decided the course wasn't for him. But he entered the contract fairly and it has operated as it should. So I'm not persuaded Santander has considered this matter unfairly.

Ultimately Mr J didn't pursue the course and Santander isn't responsible for transactions that consumers properly make that they later regret as Mr J has implied in his written comments. It's only responsible for considering chargeback and S75 fairly, which I'm satisfied it has.

Santander has accepted its customer service wasn't as it would like. It has offered Mr J £100 to reflect this. I've considered all the evidence here including emails and contact notes and its clear Santander hasn't provided the customer service it would have liked. I think the amount offered is fair in the circumstances. If Mr J would like this to be paid he should speak to Santander.

I do appreciate that this isn't the decision Mr J wants to read. And that it leaves him disappointed. But that doesn't make it fair for Santander to cover this loss from this transaction. So Mr J's complaint is unsuccessful.

### **My final decision**

For the reasons set out above, I do not uphold the complaint against Santander UK Plc. It has nothing further to do on this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 27 September 2024.

Rod Glyn-Thomas  
**Ombudsman**