

The complaint

Mr A complains that Retail Money Market Ltd (trading as 'Ratesetter') failed to credit a payment to his account.

What happened

In December 2019 Mr A set up a Ratesetter account and attempted to deposit £2,000 into it. He complains that two payments of £2,000 were taken from his bank account, but only one of these payments was credited to his Ratesetter account.

Mr A's bank told him that it had actually sent 3 payments for £2,000 to Ratesetter, one of which was returned to it. So it felt Ratesetter should've collected £4,000 from Mr A's bank account.

Ratesetter told Mr A that only two payments came through to it, one of which was declined. So only one payment had gone through successfully. And it felt it had acted correctly.

Mr A says that neither his bank or Ratesetter contacted him about the error. He believes he only got the missing £2,000 back because he spotted what had happened and contacted his bank. He's frustrated that neither Ratesetter or his bank has admitted any fault here and would like to understand what went wrong.

Our investigator said Ratesetter had now shown evidence of three attempted deposits into Mr A's account, but its records appeared to show that only one was successful, and the other two were declined. The investigator said he wasn't entirely sure why the error with the missing £2,000 had occurred, but he couldn't reasonably conclude Ratesetter had made an error. And he was glad to see Mr A had now had his money back.

Mr A wasn't satisfied with these conclusions. He said he wants to understand who was at fault for his money going missing. And pointed out that a separate complaint our service has looked at against his bank account provider hadn't found his bank to be at fault for the problem either. So the case 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.

To be clear, I am only considering the merits of the actions of Ratesetter here, not those of Mr A's bank account provider. Mr A raised a separate complaint about his bank account provider regarding this issue, which has already been looked at by this service.

I can appreciate why Mr A is so frustrated about what happened here. And it's clear he is keen to understand exactly what went wrong.

We've undertaken investigations and I've looked carefully at the evidence provided by Ratesetter regarding payments initiated on 12 December 2019. As our investigator noted,

the details it has provided us from its systems appear to support its stance that it only successfully received and processed one payment into Mr A's Ratesetter account. Two other attempted payments are showing as having been declined.

I can see that in some of his correspondence Mr A has referred to the missing £2,000 as having been 'found' when it was returned to his bank account. But although the money was returned to his bank account following a chargeback, that's not to say that either his bank or Ratesetter 'found' the *actual* missing payment here.

Mr A's bank raised a chargeback request through the third party card provider to try and recover the missing amount from Ratesetter on his behalf. In the meantime it temporarily credited Mr A's bank account with an amount matching that of the missing funds. If the chargeback had been successfully defended by Ratesetter then Mr A's bank would have taken this money back. But Ratesetter didn't seek to defend the chargeback, so Mr A was entitled to keep the refund.

Ratesetter maintains that it wasn't at fault for what went wrong here. It's explained that it has no evidence of having received the chargeback request. And says that this is why it didn't respond to the request within the timescales applicable. As it didn't respond, the chargeback was deemed successful.

It's unfortunate that communication about the chargeback appears to have gone astray here. And I'm rather frustrated on Mr A's behalf that I haven't been able to establish exactly what happened to the payment of £2,000 that went missing. But I haven't seen any evidence that leads me to conclude that the payment failed to reach his Ratesetter account due to any mistake on Ratesetter's part.

As Mr A has had the missing money credited back to his bank account, I'm satisfied that he's not ultimately been left out of pocket here. He wanted to pay £2,000 to Ratesetter. And that's what happened. So whilst I haven't been able to confirm exactly what went wrong, I don't feel I can reasonably ask Ratesetter to do anything further in respect of this complaint.

My final decision

My final decision is that I do not require Retail Money Market Ltd, trading as Ratesetter, to take any further action in respect of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before **18 September 2020**.

Jenette Lynch
Ombudsman