

The complaint

Mr S complains Vanquis Bank Limited (Vanquis) incorrectly re-debited his credit card account following a chargeback request.

What happened

Mr S says he purchased goods using his Vanquis credit card, but the goods never arrived. Mr S arranged for a chargeback with Vanquis and his credit card account was re-credited with the monies. Mr S says Vanquis then debited his credit card as they claimed they were provided with evidence from the merchant that the goods were delivered and signed for. Mr S says the receipt of goods provided by the merchant evidencing this, wasn't with his signature and he has never received the goods. Mr S wants the refund to be honoured.

Vanquis says the courier company have provided evidence of the address the goods were delivered to along with a signature of receipt. Vanquis have said they do not hold a copy of Mr S's signature as his application for their credit card was made electronically. Vanquis are satisfied they have acted correctly when debiting back the chargeback.

Mr S was unhappy with Vanquis response and referred the matter to this service.

The investigator looked at the information available but didn't uphold Mr S's complaint. The investigator felt the evidence provided by Vanquis supports their final response to Mr S that the goods were both delivered to the correct address and signed for.

Mr S wasn't happy with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

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 have come to the same outcome as the investigator but for slightly different reasons and I will explain how I have come to my decision.

I can understand it would be upsetting for Mr S to have ordered and paid for goods and these not arrive. Mr S says he ordered goods from a mail order company and when these didn't arrive Mr S contacted Vanquis to arrange for a chargeback, which was initiated. The merchant challenged the chargeback and provided Vanquis with evidence to show the goods had been delivered to Mr S's address and signed for. Mr S says he didn't receive the goods and the signature on the receipt wasn't his and this is central to his complaint.

Mr S is unhappy that Vanquis didn't investigate the matter thoroughly regarding the signature on the delivery document and the investigator at this service had also simply accepted the signature was his. What is important to stress here is our role in this complaint is to decide whether Vanquis acted correctly and in line with the rules of the chargeback scheme. So, when looking into this complaint I can only consider if Vanquis have acted fairly and in line with our expectations when they undertook the chargeback for Mr S.

It is worth mentioning chargebacks are a voluntary scheme, and while we would expect Vanquis to attempt to make a chargeback if they felt it would be successful, it is just that, a voluntary arrangement. In this case Vanquis did attempt the chargeback but were challenged by the merchant, who provided documents to show the goods had been delivered to Mr S's address and signed for.

While I understand that Mr S says this wasn't his signature on the receipt of the goods delivered, my role is to consider whether or not Vanquis have been reasonable when deciding to accept the chargeback challenge by the merchant. In this case I have also seen the tracking information and receipt from the courier company, and it shows the goods were delivered to Mr S's address and someone had signed for them. On balance, given the weight of this evidence provided to Vanquis, I am satisfied they have carried out their responsibilities here under the chargeback scheme and acted reasonably and fairly when accepting the merchant's challenge to the chargeback. I should say, Vanquis are not obliged to take any further action once the merchant has provided a credible challenge to the chargeback and from the information I have seen, I am satisfied Vanquis acted reasonably when challenged by the merchant. I am satisfied, for the reasons given before, Vanquis have carried out their responsibilities here and have tried to help Mr S through the chargeback process.

While I understand Mr S says the signature wasn't his, that is a matter of dispute between him and the merchant and courier company and he is free to pursue this if he so wishes.

I know Mr S will be disappointed with my decision, but I will not be asking anymore of Vanquis here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 24 January 2021.

Barry White
Ombudsman