

The complaint

Mr D complains about the way NewDay Ltd trading as Aqua handled his chargeback claim.

What happened

In November 2020 Mr D ordered some items from an online supplier and paid using his NewDay card.

One of the items in the order didn't arrive. So Mr D contacted NewDay to raise a chargeback. NewDay raised a chargeback dispute and the sum of £1116.55 was credited to Mr D's account.

Subsequently, the sum of £754.91 was debited from Mr D's account. NewDay said that Mr D had raised the chargeback for an incorrect amount.

Mr D complained to NewDay. In response, it said it hadn't made an error. Mr D remained unhappy and complained to this service.

Our investigator partially upheld the complaint. He said that Mr D had disputed the full amount of the transaction but that because the order comprised of four items and only one of the items wasn't received, it was right that NewDay should only refund the cost of the item which wasn't received.

Mr D didn't agree. He said he never received the item and he never received the refund.

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've looked at the order and the invoice. This shows that Mr D ordered four items – an intel processor, a motherboard, a memory kit and an evo plus. The total cost of the items including VAT was £1116.55.

When Mr D raised his chargeback claim he raised it for the total cost of all four items - £1116.55. This sum was credited to his account by NewDay.

Mr D has said that he never received the intel processor. The cost of this item was £361.64 plus VAT (£433.97)

The other three items were received by Mr D. So the chargeback claim should have been raised for £433.97, and not for £1116.55. This is why NewDay later debited £754.91 from Mr D's account (£1116.55 minus £361.64 equals £754.91)

I appreciate that Mr D may have found it confusing to have these credits and debits on his account. But having looked at what happened, I'm satisfied that Mr D should only have been credited for the cost of the intel processor (£433.97). However, based on what I've seen, I don't think NewDay credited the correct amount, because it refunded the net cost of the

processor rather than the gross cost. It still needs to refund the VAT element of £72.33.

Putting things right

To put things right NewDay should refund a further £72.33.

My final decision

My final decision is that I partially uphold the complaint. NewDay Ltd trading as Aqua must refund £72.33 to Mr D.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 20 July 2022.

Emma Davy
Ombudsman