

## The complaint

Mr B complains that TSB Bank plc didn't do enough to help him get a refund for flights he paid for but did not utilise due to the Covid-19 pandemic.

## What happened

In February 2020 Mr B bought return a flight for him and another person from a travel agent I shall call G. The flight was due to depart on 12 January 2021 and return on 9 February 2021. He paid £243.07 using his TSB Bank debit card.

In January 2021 Mr B contacted both G and the airline his flight was booked with to explain he'd be unable to board the flight due to UK Government restrictions on travel. G responded to Mr B explaining that 'according to the rules set out by the airline, it is not possible to get a refund of your booking in case of cancellation'.

Shortly after this the airline emailed Mr B and said that the outbound journey was non-refundable but the return leg was refundable, and Mr B should contact G for a refund. Mr B asked the airline for an explanation why only one part of the journey was refundable but said he didn't receive one.

Mr B said he never received a refund from G so in February 2021 he asked TSB to help him get one. After receiving a form from Mr B setting out his dispute, TSB asked him for some more information including a full description of his dispute, evidence of his attempts to resolve the matter with G, booking confirmation and G's terms and conditions. Mr B said he sent this a number of times by post but TSB kept writing back to him asking him for the same information.

Mr B said he wasn't getting anywhere with TSB so he made a complaint. In response TSB told Mr B that he had to submit evidence in a particular way each time it asked for it and because he didn't do this, it hadn't taken his claim any further.

I issued a provisional decision in September 2022 explaining what I thought TSB should do to resolve Mr B's complaint. I said:

*'In this case, I am looking at whether TSB acted fairly and reasonably in the way it handled Mr B's request for help in getting his money back. This will take into account the circumstances of the problem and how the supplier has acted, but also the chargeback card scheme rules a bank has to follow.'*

*In certain circumstances the chargeback process provides a way for a bank to ask for a payment a consumer has made to be refunded. Where applicable, the bank raises a dispute with the supplier and effectively asks for the payment to be returned to the customer. While it is good practice for a bank to attempt a chargeback where the right exists and there is some prospect of success, the circumstances of a dispute means it won't always be appropriate for the bank to raise a chargeback. There are grounds or dispute conditions set by the relevant card scheme and if these are not met a chargeback is unlikely to succeed.'*

*TSB said it didn't raise a chargeback for Mr B because he didn't send the information it requested from him in the required format. It said he needed to provide all of the necessary evidence to support his claim in one go every time he contacted it as its processes didn't allow for bits of evidence to be sent separately. Mr B said each time TSB asked him for information he sent what was requested by post.*

*Looking at some of TSB's communications to Mr B where it asked for information, I can see it said the following 'you can either complete a new Adobe form completing the correct section regarding your dispute and attach all the evidence set out above. Or if you'd rather, you can choose to send us the required evidence by post'.*

*Each time TSB wrote to Mr B it asked for slightly different items of evidence. I note however that the paragraph I've referenced above only asked Mr B for the 'evidence set out above' and not all of the evidence to support Mr B's whole case. So even if TSB's processes did require everything to be provided at once, this wasn't made clear in its letters/emails to Mr B.*

*I've considered what I think its likely Mr B did send to TSB over the course of his communications with it. On that point, despite TSB having no record of receiving any post from Mr B, I find it unlikely it would have continued to make different information requests to him if it was not receiving his evidence. So, he must have sent it something.*

*I've looked at what information Mr B has retained, and what he told us he sent, including email confirmation of his booking, and communications the airline sent him explaining that he was entitled to a refund on the return leg of his flight. From this I think it's most likely Mr B had sent TSB enough information to meet the card scheme rules evidential requirements under the 'credit not processed' dispute rule.*

*I say this because the card scheme rules say that a chargeback can be submitted where the cardholder received a credit or voided transaction receipt that was not processed. And this can be certified with any record to prove a credit is due to the cardholder. Although it had not come from G, the email Mr B received from the airline explaining he was entitled to a refund on the return leg of the journey was evidence that a credit was due to him. Therefore, it appears that a chargeback for the cost of part of the services did have some prospect of success and should have been raised based on what Mr B most likely supplied TSB with.*

*I don't find it clear that Mr B had chargeback grounds for the outbound part of his journey. I haven't been supplied with G's terms and conditions from the time of booking so I don't know if Mr B was entitled to a refund of this part of the journey in the event he did not board the flight. Both G and the airline said this wasn't refundable also, so it seems unlikely on balance. I've not seen evidence that the flight was cancelled either – which may have given Mr B separate grounds for a chargeback. It seems unlikely that a chargeback raised for this part of the service would have succeeded. So, even if I thought TSB should have raised a chargeback for this, I don't think it needs to pay Mr B compensation for its failure to do so.*

*Turning back now to the return journey, it's possible G might have defended a chargeback if TSB had raised one. And while the claim wasn't guaranteed to be successful, it also wasn't bound to fail. TSB's decision not to submit the chargeback prevented Mr B from using the scheme as a basis on which he might make his arguments for a refund. I don't consider TSB treated Mr B fairly in this respect.*

*Whether that treatment caused Mr B financial loss is debatable – as is the exact loss given the two flights were not itemised on the invoice Mr B has provided. As I've noted, I haven't been provided with evidence the return flight was cancelled by the airline or G's terms and conditions. So, G's policy on refunds for flights cancelled by or not boarded by the consumer is not clear. On the other hand while G said a refund wasn't due 'because of the rules set out*

*by the airline', the airline's email to Mr B shows suggests otherwise, just that he had to go through G to get it. So realistically the claim outcome could have gone either way.*

*My power to award compensation isn't however limited to proven financial loss. I can also make awards to reflect (among other things) distress and/or inconvenience a complainant experiences as a result of a firm's actions. Here I consider TSB's failure to treat Mr B fairly has caused him distress and has undoubtedly resulted in him being inconvenienced.*

*To recognise this, I require TSB to pay Mr B suitable compensation, which I assess at £125. Further information on how we assess awards for non-financial loss can be found on our website at <https://www.financial-ombudsman.org.uk/businesses/resolvingcomplaint/understanding-compensation/compensation-for-distress-or-inconvenience>.'*

TSB agreed with my provisional decision.

Mr B didn't agree that a chargeback claim for part of the flight cost could have gone either way and thought it would have succeeded. He said the email from the airline was clear evidence a refund was due to him and TSB could have found out how much the return flight cost if it raised the chargeback.

### **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 focussed my decision here only on what remains contested from my provisional decision i.e. whether a partial chargeback for half of the cost of the flights would likely have succeeded. My findings in respect of everything else are set out above, have not been challenged and therefore remain the same.

I've given careful thought to Mr B's point. But I still find it unclear whether a chargeback would have succeeded. I do not know the terms upon which Mr B contracted with G so it's still not clear if the evidence he'd supplied would have been enough to satisfy the chargeback scheme requirements under the credit not processed dispute rule. The fact the airline said one of his flights was refundable doesn't necessarily mean he was due a refund from G as its policy in this situation might have been different. And things are further muddled by the fact it's not clear if the flight went ahead or not.

So overall, while I don't find TSB should pay any of the flight costs to Mr B, I still find he was caused distress and inconvenience by TSB's failure to treat him fairly and I still assess this at £125.

### **My final decision**

My final decision is that I uphold Mr B's complaint in part. To put things right TSB Bank plc must pay Mr B £125.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 21 October 2022.

Michael Ball  
**Ombudsman**