

The complaint

Mrs S complains that Vanquis Bank Limited hasn't refunded an amount she paid on her credit card for goods she didn't receive.

What happened

Mrs S used her Vanquis credit card to purchase an item on-line in November 2021. She says she chased the merchant, but when the item wasn't delivered, she contacted Vanquis in May 2022 to raise a chargeback. Having not heard anything further, she contacted Vanquis again in September 2022.

Vanquis looked into the matter, but it said it couldn't find any evidence that Mrs S had contacted it before September 2022. And, as the transaction had taken place more than 120 days before she contacted it, it was unable to pursue a chargeback. Unhappy with the response Mrs S referred her complaint to this service.

One of investigators looked into the matter, but she didn't uphold Mrs S' complaint. She said that under the chargeback scheme rules a claim for goods not received had to be made within 120 days of the transaction date. And that even if Vanquis had record of a claim being made in May 2022, this would have been outside the required timeframe. She also noted that Mrs S couldn't make a claim under Section 75 of the Consumer Credit Act as the transaction made was under £100.

Mrs S didn't agree. She said the item she ordered had been dispatched on 1 February 2022, so her claim raised in May 2022 was made in time. The investigator considered what Mrs S had said. But she didn't think this altered the outcome she had reached. She noted that the confirmation email Mrs S received when she placed the order said the item would be delivered in the first week of January 2022. So, she thought the latest date that the chargeback timescales could be calculated from was 9 January 2022. She also said that there was insufficient evidence that the claim had been logged with Vanquis in May 2022.

Mrs S reiterated that she'd provided evidence showing that the item was dispatched on 1 February 2022, so she thought chargeback claim made in May 2022 was within the 120-day rule. And she asked for her complaint to be passed to an ombudsman to decide as she thought using the earlier date was unfair.

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've reached the same overall conclusions as the investigator. I acknowledge that Mrs S will be disappointed as she hasn't received the goods she paid for. But I need to be satisfied that Mrs S chargeback claim was made within the scheme rules.

The chargeback process is subject to rules made by the relevant card schemes providers – Visa or Mastercard. But it's not a guaranteed way of getting a refund. For the card scheme relevant in this case, the rules say that there is a limited window of time in which to raise a chargeback. Generally, this is 120 days from the date of the transaction or, if a service was meant to be provided by a specific date in the future, 120 days from that date.

Our investigator said Mrs S' chargeback claim wouldn't have been successful because the latest anticipated delivery date for the item she purchased was the last week of January 2022 – so this is when the 120-day rule started. I've seen Mrs S has challenged this because she received a later email indicating delivery would be 1 February 2022. But I'm not persuaded the outcome of this complaint turns on this point. I'll explain why.

Mrs S says she complained to Vanquis in May 2022. But Vanquis says it has no record of receiving a chargeback claim from Mrs S until September 2022. I've looked at the account records Vanquis has provided which details its contact with Mrs S during 2022. And this doesn't indicate that a letter was received in May 2022. The records indicate that the earliest correspondence relating to this matter was recorded as being received in September 2022.

In light of the above, while I accept Mrs S sent a letter to Vanquis in May 2022, I can't safely say it was received. And Mrs S hasn't provided anything that would make me think that it was - for example, confirmation of delivery by Royal Mail or that she followed up that letter before September 2022. So, having thought carefully about this, overall, I don't think I've seen enough to safely say Mrs S successfully contacted Vanquis in May 2022.

I can understand that Mrs S is unhappy that the merchant didn't provide the goods she paid for, and I empathise with her situation. But based on the evidence available to me, I'm not persuaded that Mrs S chargeback claim was raised within the timeframe set out in chargeback scheme rules. And as the transaction was for under £100 Vanquis is unable to pursue a claim under Section 75 of the Consumer Credit Act. So, I won't be asking Vanquis to refund Mrs S for the amount of the credit card payment.

My final decision

For the reasons given above I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 12 April 2023.

Sandra Greene
Ombudsman