

The complaint

Miss W complains that NewDay Ltd trading as Aquacard rejected her disputed transaction claim.

What happened

Miss W used her Aqua credit card to pay for a travel experience. The event was cancelled by the merchant and rescheduled to a later date at a different location.

The supplier sent emails to all customers – including Miss W – advising that if they couldn't make the rescheduled date a refund would be issued within 90 days.

Miss W didn't receive a refund, so she raised a disputed transaction claim with Aqua.

Aqua rejected the claim. It said Miss W had failed to produce any evidence to show that the merchant had promised a refund.

Miss W remained unhappy and complained to this service.

Our investigator upheld the complaint. She said Aqua should've done more when the merchant challenged the dispute by presenting the information relied on by the merchant to Miss W. The investigator concluded that Miss W had lost the opportunity of a successful chargeback claim and said Aqua should refund the account.

Aqua didn't agree. It said the information provided by Miss W wasn't sufficient because the merchant's email stated that if the customer didn't request a voucher they would be refunded. Aqua said there was no evidence to show whether Miss W had requested a voucher or not.

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 merchant's response to the chargeback. It challenged the claim and said Miss W hadn't requested a refund and that the booking was no-refundable.

I haven't been able to access the link in the merchant's response. But based on the information I've been able to obtain about the merchant's cancellation policy. It seems that if an event is cancelled by the merchant, which is what happened in Miss W's case, the customer is entitled to a full refund.

I've looked at the evidence Miss W provided to Aqua in support of her claim. She provided an email from the merchant about refunds. Aqua, in its response to the investigator's view, said the email wasn't sufficient because it stated that a refund would be given if the customer doesn't request a voucher. Aqua said it didn't have evidence to show whether Miss W had requested a voucher or not.

I think the email from the merchant is clear. If Miss W didn't request a voucher then she is

entitled to a refund. There's no evidence to suggest that Miss W requested a voucher. If she had requested a voucher, I think the merchant would've advised Aqua of this when it responded to the claim.

Taking everything into consideration, I don't think Aqua handled the claim fairly. I'm satisfied that Miss W provided sufficient evidence to show that she was entitled to a refund. I think Aqua should've gone back to Miss W for further comment once it received the merchant's response, because the merchant's response was at odds with the email which had been sent to Miss W about vouchers and refunds.

Because Aqua didn't do as much as it should've done, Miss W has lost out on what I think would've been a successful chargeback claim.

Putting things right

To put things right, NewDay Ltd trading as Aquacard must refund the sum of £199 and rework the account as if the initial refund hadn't been reversed. Any fees and charges and interest incurred as a result of reversing the initial refund should be refunded. If the refund results in a credit balance on the account, NewDay should pay 8% simple interest per year on any refund from the date it would've arisen to the date of settlement.

NewDay Ltd trading as Aquacard must also remove any adverse information from Miss W's credit file relating to or as a result of the disputed transaction claim.

My final decision

My final decision is that I uphold the complaint. NewDay Ltd trading as Aquacard must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 5 May 2023.

Emma Davy
Ombudsman