

The complaint

Mr P complains about how Curve UK Limited conducted his chargeback dispute about a car service.

What happened

In April 2023 Mr P paid a garage ("the merchant") about £548 for his car to be serviced, using his Curve credit card. He was told that his brake pads and brake discs were badly worn and needed to be replaced immediately. He did not want that garage to do the work, so he took the car to a second garage, where he had the pads and discs replaced for £660. That garage told him that the old brake pads and discs had still been in good condition. So Mr P complained to the original garage that the replacement parts had not been needed; he also said he had not received the full service he had paid for.

In June 2023 Mr P asked Curve to raise a chargeback dispute about the £548 transaction. The next day, Curve told him that chargeback rights did not apply to that payment. He provided further information, and the following week Curve raised a chargeback dispute under the reason "goods or services not as described or defective." In August, after Mr P had sent some chasing messages, Curve told him that it had received the merchant's defence, which was that it had already refunded Mr P £660 (not to his credit card account but by other means). As a result, Curve had decided not to take the chargeback dispute any further.

Mr P did not accept that response. He told Curve that the refund he'd received had not been stated to be in full and final settlement of his dispute. That had only been a refund of the cost of the brake pads and discs he had been sold by the second garage, which was a separate matter to his chargeback dispute, which was for the cost of the merchant's service, which he said had been incomplete.

In early October, Curve asked Mr P for further evidence. Curve also offered him £250 as a gesture of good will. Instead of providing further evidence or accepting Curve's offer, Mr P asked Curve repeatedly to call him to discuss the matter further, and asked to raise a complaint. The parties reached an impasse, in which Curve repeated that it needed documentary evidence to pursue the chargeback, and Mr P insisted that he wanted to speak to someone. This continued into January 2024, by which time Mr P had complained to our service in December.

In February 2024, Curve issued its final response letter, upholding Mr P's complaint about its conduct of the chargeback dispute. Curve acknowledged that it had inadvertently failed to respond to his messages in October and November 2023, apologised, and paid him £100. But it maintained that the outcome of the chargeback dispute was fair, because Mr P had been refunded by the merchant, and because Mr P had received from the merchant the service he had paid £548 for. Being dissatisfied with that response, Mr P continued to pursue his complaint with our service.

Our investigator upheld this complaint in part. He did not disagree with Curve about the outcome of the chargeback dispute. The merchant had offered Mr P a refund, which he had

accepted, and he had not provided Curve with evidence showing what was supposed to have been included in the service. He concluded that Curve had taken the dispute as far as it reasonably could. But he upheld Mr P's complaint on the ground that Curve had taken too long to conclude matters and had failed to respond to Mr P's messages, despite him sending Curve chasing messages, and so he didn't think that £100 was enough. He recommended that Curve pay Mr P an additional £100.

Mr P accepted that opinion, but Curve did not. It argued that £100 was fair. It asked for an ombudsman's 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.

I am satisfied that Curve reached the correct outcome for the chargeback dispute, for the same reason as the investigator gave. Since Mr P does not challenge that finding, I do not think I need to go into greater detail than that.

Turning to the delays, it is not in dispute that Curve could have provided better customer service to Mr P. It failed to respond to several messages, and generally failed to deal with his case in a timely manner. It has already paid him £100 for that, and so I have to decide if that was enough to fairly resolve the matter, or if it should pay him more.

As I've said above, Mr P first approached Curve in June 2023, and in August of that year Curve told him it was unable to take the chargeback dispute any further. I do not think that there were any unreasonable delays during this period.

After that, Mr P sent Curve further messages in August, September, October and November. Curve acknowledged the earlier messages at the end of September, after a bit of a delay. Then five days later, in October, Curve asked him for more evidence to support his claim, and explained that it currently did not have enough evidence to pursue the chargeback.

After receiving that message, instead of providing the requested evidence, Mr P sent six further messages in which he initially insisted on a phone call, and later asked to raise a complaint about poor communication. Curve did not respond to these messages (which all sent in October) until 6 December.

I think that the £100 which Curve has paid Mr P is fair compensation for the delays in responding to Mr P up to that point. So I now need to consider whether any further compensation is necessary for any subsequent delays or failures to communicate.

Curve's message on 6 December 2023 repeated that it couldn't take his chargeback dispute any further without documentary evidence. Mr P sent two more messages in December, which Curve replied to on 11 January. On that day, Mr P sent a third message, which Curve acknowledged the same day. I think there is nothing wrong with any of that.

Eight days later, Curve asked Mr P if he wanted to accept its offer of £250 which it had made in October. Mr P replied the same day to say he did wish to accept it. But then a week later he changed his mind and told Curve that he rejected it.

Curve had not responded to Mr P's acceptance in the meantime. If it had, I expect it would have paid Mr P the £250 and then closed his case, and that would have been that. Instead, Mr P changed his mind, and the offer expired. Curve did not respond to him again until 13 February 2024. That was the first occasion on which it gave him a detailed explanation about

why his chargeback dispute had been unsuccessful (the previous messages declining his chargeback had been very brief). That is six months after he was first told about the outcome, which I think is poor. The next day is when Curve sent its final response letter, again detailing the reason for the outcome of the chargeback, and saying that he would be paid £100.

Although I recognise that it was entirely Mr P's choice to decline the offer of £250, I think that would not have happened if Curve had responded promptly to his original message accepting its offer. The result of the delay is that Mr P lost out on £150. I think it would be fair for his compensation to reflect that. I won't award all of the amount he missed out on, because Mr P had been given plenty of time to accept that offer (from 4 October to 19 January, which is 107 days), so I cannot say that it was entirely Curve's fault that he didn't get it. But taking into account that he also had to wait six months to get a detailed explanation (as opposed to a perfunctory one) for why he had lost his chargeback, I think that the investigator's proposal of £100 is fair, and I endorse it.

My final decision

So my decision is that I uphold this complaint in part. I order Curve UK Limited to pay Mr P £100, in addition to the £100 it has paid him already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 13 December 2024.

Richard Wood
Ombudsman