

The complaint

Mr E complains that HSBC UK Bank plc won't refund to him the money that he paid for some flights that he had to cancel.

What happened

Mr E made a payment of £2,422.93 in July 2023 from his bank account with HSBC for some flights. The required visas weren't obtained so Mr E cancelled the flights in August 2023. He expected to receive a refund but, when he hadn't received a refund, he complained to HSBC and he completed a disputed goods and services declaration form. Mr E spoke with HSBC in April 2024 and it sent him an e-mail which said: *"The Disputes Team are now aware of the information that we hold and I have asked them to email you if they need anymore information from you"*. It also said that Mr E had the right to refer his complaint to this service.

Mr E complained to this service later that month and HSBC sent him another e-mail which said: *"Please ignore any correspondence that states you are over the time limit of 120 days"*. Mr E's complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He said that HSBC was able to consider a chargeback but, based on the information available, a refund wasn't possible. Mr E then provided further information but the investigator didn't think that a chargeback would have likely succeeded even if HSBC had raised one.

Mr E didn't accept the investigator's recommendation and has asked for his complaint to be considered by an ombudsman.

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.

If a consumer disputes a card payment, the card issuer may be able to make a chargeback claim to the merchant under the relevant card scheme to try to settle the dispute. There's no right for a consumer to require that a chargeback claim be made and the applicable scheme rules set out the disputes that can be considered and the time limits for making a claim. But if the right to make a chargeback claim exists under the applicable scheme rules, and if there's a reasonable prospect of success, I consider it to be good practice for a chargeback claim to be made.

Mr E completed HSBC's disputed goods and services declaration form about his payment for the flights in November 2023. I've seen no evidence to show that HSBC has made a chargeback claim to the booking company about that payment.

Mr E paid £2,422.93 for the flights in July 2023. The booking company's booking details say: *"You can switch flights up to 24 hours before departure. Pay only the difference in ticket price, if any"*. I've seen no evidence to show that the price of the tickets was refundable if cancelled.

The required visas weren't obtained so Mr E cancelled the flights in August 2023 and the booking company accepted that cancellation. It said that a refund had been requested and that the airline was confirming the refund amount and: *"Your flight booking has been cancelled. Our customer support team will process any refund you are due, according to the airlines ticket policy"*. It also said:

"We will send your refund application to the airline for review. If approved, we will return your funds to the original form of payment. Please note that according to the airline's rules, some taxes may not be refundable. An airline cancellation fee of 148.10 GBP and a handling fee of 00.00 GBP per person will be deducted from your refund".

Mr E also contacted the airline and it said: *"This is a travel agency booking and for the refund you do need to contact the travel agent only and your travel agency will check with their corresponding sales team"*. But none of those communications say that Mr E was entitled to a refund when he cancelled the flights or that the booking company or the airline had agreed to refund any of Mr E's payment to him.

Mr E had provided evidence of the booking cancellation and two e-mails from the booking company to HSBC with his disputed goods and services declaration form in November 2023 so it's not clear to me why HSBC hadn't considered Mr E's chargeback claim by April 2024. But there's no requirement for it to make a chargeback claim and, if it had properly considered a chargeback claim for Mr E's payment, I consider it to be more likely than not that it would have concluded that there was no reasonable prospect of a chargeback claim being successful so it wouldn't have made a chargeback claim to the booking company. That's because I've seen no evidence to show that Mr E was entitled to a refund or that the booking company or the airline had agreed to pay him a refund.

I can appreciate Mr E's frustration that he's paid for flights that weren't used, but I'm not persuaded that HSBC acted incorrectly by not making a chargeback claim to the booking company for Mr E's payment. I know that this will be disappointing for Mr E, but I find that it wouldn't be fair or reasonable in these circumstances for me to require HSBC to refund to Mr E any of the money that he paid for the flights or to take any other action in response to his complaint.

My final decision

My decision is that I don't uphold Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 12 February 2025.

Jarrold Hastings
Ombudsman