

The complaint

Miss L has complained that MBNA Limited hasn't refunded her disputed transaction.

What happened

Miss L went on holiday in 2023, and when she checked out of her hotel, she was charged 822 Euros for food and drink. She queried this, as she felt she was only liable for 370 Euros. However, she paid it, as she had to catch a flight and didn't want to get into trouble.

Miss L also explained that she'd asked at the hotel to pay in Pounds, but had been charged in Euros, which was costlier.

Miss L contacted MBNA and asked it to raise a chargeback, which it did. It then asked her for more information to support her claim, which she provided. However, it seems that MBNA missed this. Ultimately it didn't pursue the chargeback further, as it said Miss L had authorised the payment.

Miss L complained about this, and MBNA maintained it had acted reasonably. But it did say it could have handled things better, and offered £75 compensation in respect of this.

Miss L then brought her complaint to our service, and one of our investigators looked into what had happened.

Our investigator was satisfied that Miss L had provided MBNA with further evidence when it requested this. This was in the form of some date and time-stamped photos, to show Miss L was elsewhere when some of the charges were added to her room. Unfortunately, this was missed by MBNA.

So, our investigator thought it fair to look at what should reasonably have happened, had MBNA taken this evidence into account. Or, in other words, whether Miss L's evidence was strong enough that MBNA should reasonably have taken the matter further. But, she did not think it was. This was because there were time differences of half an hour and more between when the charges were applied, and the times on the photos. And the hotel had provided a number of receipts, showing charges had been authorised. Accordingly, she didn't think MBNA had behaved unfairly in not pursuing things, as she didn't think the chargeback had a reasonable prospect of success.

For completeness, our investigator also thought about whether MNA could have looked at a claim under section 75 of the Consumer Credit Act 1974 (although Miss L didn't specifically raise one). This would allow Miss L to have a claim against MBNA, if there had been a breach of contract of misrepresentation by the hotel. However, she didn't think section 75 applied. This is because a valid debtor -creditor-supplier link is required under section 75. And here, there was no such link, as the contract for the hotel was between the hotel and Miss L's travelling companion.

Finally, our investigator considered Miss L's request to have paid in Pounds, not Euros. But as Miss L had authorised the Euros transaction, she didn't think MBNA should be required to

take any action regarding this.

As Miss L disagreed, her complaint's been passed to me.

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 set out in detail the reasoning and conclusions our investigator gave when reaching her view. I agree with her in respect of both, so adopt them here. There's little I can meaningfully add to what she's already set out. I assure Miss L that I've considered all of the submissions carefully. I'm sorry that Miss L will be disappointed by this decision, but I don't think MBNA has acted unfairly. I'm satisfied that the £75 offered for service issues was fair, and in line with what I'd have awarded.

My final decision

For the reasons given above, it's my final decision that the £75 MBNA Limited has already offered is fair. I leave it to Miss L to decide whether to accept this, if she hasn't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 24 April 2025.

Elspeth Wood
Ombudsman