

## **The complaint**

X has complained that Tesco Personal Finance Limited trading as Tesco Bank, failed properly to deal with his chargeback requests.

## **What happened**

X paid £197.44 to a company called Holiday Cars, for a voucher for hiring a car. He then used the voucher to hire an electric car from Hertz. Although he consented to some additional fees, he's explained he didn't consent to all of them – specifically, something referred to as a 'CPO fuel charge'.

He contacted Tesco Bank, to request a refund from both Holiday Cars and Hertz.

However, Tesco Bank said it wouldn't proceed with the chargebacks. This was because it was satisfied that the signed Hertz rental agreement authorised a number of charges, including the CPO fuel charge. And Holiday Cars had fulfilled its agreement by providing the voucher.

X then brought his complaint to our service, and one of our investigators looked into it. X had explained he'd expected additional charges for the cross-border fee, but not other charges. But she could see that Holiday Cars' terms and conditions set out that additional charges (e.g. for fuel, optional services, and local fees) may be incurred at the Hertz rental counter, and that any such charges are not its responsibility. She was satisfied that Holiday Cars had met its obligation, as it had provided a voucher for X to hire a car.

Turning to Hertz's terms and conditions, our investigator could see that these expressly say that any recharging costs will be additional, and would be incurred if the car was returned with a lower charge level than when it had been collected. As this is what had happened here, she thought it reasonable for Tesco not to have pursued a refund.

X also said that the car's charge level at pick-up was 77%, but should have been 80%. However, Hertz's terms and conditions set out that the charge level is recorded at pick-up, and ensures accuracy with minor deviations. Our investigator thought it reasonable that Tesco didn't consider this slightly lower charge to constitute a breach of contract.

X further said that the charging fees were unfair, as he'd not felt informed about the different charging options. And, he hadn't agreed to purchase the Charge Protection Option (i.e. the CPO), which provides for a flat fee to be charged if a car is returned with a charge lower than at pick-up. But, our investigator felt that although she'd not been party to the conversation X had with Hertz, it was clear in the terms that recharging fees could be applied, and this is what had happened here. She didn't think there was enough evidence to show, on balance, that X hadn't authorised this charge.

X also explained he'd felt pressurised by Hertz to accept a number of add-ons. But our investigator was satisfied these were optional, and X could have declined them. Further, Holiday Cars' documentation says that if there are any concerns about add-ons, customers can contact its support line. For these reasons, our investigator thought Tesco Bank had

behaved reasonably in not pursuing the chargebacks.

### **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'm not upholding it. I know this will be disappointing for X, but I'll explain why. I'm satisfied that Holiday Cars' obligation was to provide a voucher, and it did so. It also said there may be add-ons at the pick-up desk, for which it wasn't responsible. So, I'm satisfied that Tesco Bank was reasonable in deciding not to pursue a chargeback against Holiday Cars.

I turn now to Hertz. There's little I can meaningfully add to what our investigator has said, so I adopt her reasoning here. I know X feels strongly that there's not enough evidence that he authorised the CPO. But I disagree. This was included in the amount X handed over his card to be charged for. And, the agreement set out such fees would be chargeable, so I think he'd have been reasonably aware of this before proceeding. I need to decide what I think most likely happened, on balance, and I think X agreed to the charge, based on the evidence I've seen.

As regards the optional add-ons, I think that X could have called Holiday Cars if he had concerns, and not proceeded. I know sales assistants can sometimes be pushy (although I have no evidence of what happened here), but X could still have refused any optional extras. Finally, I've thought about the 77% charge at pick-up, rather than the 80% X expected. I don't think such a small difference is sufficient to constitute a breach of contract. Further, I can't see what impact this had on X, as he was only required to return the car with the charge at pick-up – so, 77%.

Accordingly, I think Tesco Bank assessed the chargeback request fairly, and was reasonable in not proceeding.

### **My final decision**

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 6 June 2025.

Elsbeth Wood  
**Ombudsman**