

The complaint

Mr B complains that Currensea Limited won't refund two payments to his account.

What happened

I issued a provisional decision on this complaint last month in which I described what had happened as follows:

"Mr B has an account with Currensea, which is a card based payment instrument issuer, and he has a debit card on that account. He contacted Currensea in November 2023 to dispute two payments that had been made on his account and it made chargeback claims for those payments. Both chargebacks were disputed by the merchants so were unsuccessful. Currensea treated the disputes as a complaint and said in December 2023 that it had decided to not uphold Mr B's complaint as it was satisfied that it had taken the correct steps in disputing the payments and had made no errors.

Mr B wasn't satisfied with its response so complained to this service. He says that he was incorrectly charged for two transactions, Currensea refused to provide a refund even though the parties provided evidence that they were wrong to charge him, the evidence from the parties showed the amount that they were meant to charge and they charged more, and Currensea should have refunded him the money under section 75 of the Consumer Credit Act 1974.

Mr B's complaint was looked at by one of this service's investigators who, having considered everything, thought that it should be upheld in part. She thought that Currensea could have handled Mr B's chargeback claim for a car rental payment better and she recommended that it should refund Mr B the equivalent of US\$34.52 with interest for a car rental company not refunding him correctly and compensate him £50 for its handling of his chargeback claim.

Currensea didn't agree with the investigator's recommendation and asked for this complaint to be considered by an ombudsman. It says that Mr B claimed that the full amount of the transaction was fraudulent and agreed to dispute the full payment, he was shown the disputes that it was raising and agreed them, and if it hadn't raised the chargeback Mr B would have complained to this service. Mr B says that he should receive a refund of an additional US\$250 that he was charged by the car rental company for special vehicle cleaning and compensation of £100".

Provisional decision

I set out my provisional findings in my provisional decision which were:

"Mr B had paid US\$568.08 to a car rental company and, after he'd returned the car, a charge of \$464 was made to his Currensea account. The return checksheet shows that the car was returned with a full tank of fuel and that there was no additional damage. The \$464 charge included a fuelling charge of US\$54.19, a rental facility

charge of US\$40.80 and a tire and battery fee of US\$0.16 and the investigator explained why she didn't consider that they'd been charged fairly. Those charges total US\$95.15 and the car rental company refunded US\$60.63 to Mr B so she said that it should have refunded US\$34.62 more to him.

Mr B had also made a payment of US\$199 for a resort voucher which he said wasn't as described but he provided little evidence in support of that and the investigator didn't think that Currensea had enough evidence to raise a chargeback claim. The merchant provided evidence to show that Mr B had used the voucher.

Mr B contacted Currensea in November 2023 to dispute those transactions. 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, 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.

Currensea made chargeback claims for the payments of US\$464 and US\$199 but both chargebacks were defended. Mr B had already sent an e-mail to the car rental company to dispute the charges that had been taken from his account and he requested a refund of the charges for special vehicle cleaning, fuelling, toll pass, rental facility charge, AP concession recovery fee, vehicle license and tire and battery fee, which total US\$549.10 plus taxes. That was more than the charge of US\$464 that he was disputing.

As Mr B had raised a dispute for that amount with the car rental company and had then contacted Currensea to dispute that payment, I don't consider that it was unfair or unreasonable for it to make a chargeback claim for the full amount of US\$464. It's clear that Currensea was trying to help Mr B by making the chargeback claims and, in doing so, I don't consider that it acted incorrectly in any way that would justify an award of compensation to Mr B. And as the car rental company had refunded US\$60.63 to Mr B, I don't consider that Currensea should have taken the dispute to arbitration. Currensea has said that it would be prepared to refund US\$34.52 to Mr B's account as a gesture of goodwill. I consider that to be a fair and reasonable response to Mr B's complaint.

Mr B says that the parties provided evidence that they were wrong to charge him, the evidence from the parties showed the amount that they were meant to charge and they charged more. But other than the refund of US\$60.63, I've seen no evidence to show that either merchant agreed that it had incorrectly charged Mr B or that he was entitled to a further refund. Mr B also says that Currensea should have refunded the disputed payments to him under section 75. Section 75 only applies in certain circumstances when a creditor has provided credit to a debtor. Mr B used his debit card to make the payments and Currensea didn't provide him with credit for those payments so he wouldn't have been entitled to make a claim under section 75 to Currensea about those payments.

I appreciate that this will be disappointing for Mr B, but I find that it would be fair and reasonable in these circumstances for Currensea to refund the equivalent of US\$34.72 to Mr B's account but I don't consider that it would be fair or reasonable for me to require it to take any other action in response to his complaint".

Subject to any further comments or evidence that I received from either Mr B or Currensea, my provisional decision was that I intended to uphold this complaint in part and to order

Currensea Limited to refund the equivalent of US\$34.52 to Mr B's account. Neither Mr B nor Currensea has responded to my provisional 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.

As neither Mr B nor Currensea has responded to my provisional decision, I see no reason to change my provisional findings.

Putting things right

I find that it would be fair and reasonable in these circumstances for Currensea to refund the equivalent of US\$34.52 to Mr B's account

My final decision

My decision is that I uphold Mr B's complaint in part and I order Currensea Limited to refund the equivalent of US\$34.52 to Mr B's account.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 9 December 2024.

Jarrold Hastings
Ombudsman