

The complaint

Mrs A complains that Vanquis Bank Limited did not handle her chargeback request properly.

What happened

On 10 January 2024 Mrs A bought airline tickets from a travel agent at a cost of £2,249.23. She then discovered that her husband could not travel to the destination country and asked the travel agent to cancel the tickets, but this request was rejected as the tickets were non-refundable.

She contacted Vanquis on 16 January 2024 and it raised a chargeback, but this was challenged by the travel agent. Vanquis wrote to Mrs A on 13 March 2024 saying that the chargeback had been unsuccessful, but the travel agent said that she would be entitled to £193.57 taxes due per passenger if the tickets were cancelled. The letter went on to say that she had 14 days to provide further information to continue the dispute.

She was then notified that there had been changes to the flight times and she shared this with Vanquis within the 14-day period, but it said it had closed the chargeback. It said that it had taken time to resolve matter and offered Mrs A £50 compensation.

Mrs A was unhappy with this and brought a complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld. She thought that Vanquis had made the chargeback request correctly, but it had closed it prematurely. However, if it had taken account of the additional evidence from Mrs A it was unlikely the claim would have succeeded.

Mrs A didn't agree and asked that the matter be considered by an ombudsman. She also said she had not received any refund from the travel agent of taxes.

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 am not persuaded that this complaint should be upheld. I will explain why.

Firstly it may assist if I briefly explain the chargeback regime. Chargeback allows for a refund to be made of money paid with a credit or debit card in certain scenarios, such as when goods have been paid for and not received. A consumer cannot insist on their card company attempting a chargeback, but I would expect it to attempt one, as a matter of good practice, if there was a reasonable prospect of succeeding and to do so would be compliant with the rules of the card scheme to which the card belongs (most commonly, Mastercard or Visa).

Mrs A provided Vanquis with the information which enabled it to make the chargeback. It used this information she supplied to make the chargeback. The merchant challenged the chargeback and pointed out the tickets were non-refundable. This rebuttal of the claim was clearly sufficient for Vanquis to conclude that it did not merit an appeal.

It wrote to her to let her know that the chargeback had not succeeded, but offered her the opportunity to provide further information which it would consider when deciding whether to continue the claim. However, Vanquis decided to close the chargeback before Mrs A submitted further evidence in support of her claim.

The question I have to consider is whether that additional information would have caused Vanquis to pursue the chargeback and would it have been successful. I think the answer to both questions is no.

When the travel agent notified Mrs A of the change to the time of one flight it explained that: *"Unfortunately, we are unable to offer alternatives or refunds this time due to the airline policies."* The alteration was not a basis for saying that the travel agent should refund Mrs A. I think that the travel agent would have challenged any chargeback made on the basis of the change of flight times. As such, I consider it reasonable to conclude that any appeal made by Vanquis would not have succeeded and its decision to close the claim down did not have any detrimental effect on the final outcome. I recognise Mrs A found it frustrating that Vanquis closed the claim before she could supply the additional information, but what she provided was not sufficient to allow her claim to succeed.

I note there has been some confusion about whether Mrs A received a partial refund from the travel agent. She has said she did not and I accept this. It appears that this was available to her if the flights were cancelled before they were due to depart and this didn't happen so no refund was made. That issue is not a matter for Vanquis, but is an issue between Mrs A and the travel agent.

On the matter of the level of customer service I agree that the offer made by Vanquis of £50 was a reasonable response.

My final decision

My final decision is that I do not uphold this complaint and I leave it to Mrs A to decide if she wishes to accept the compensation of £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 4 April 2025.

Ivor Graham
Ombudsman