

The complaint

Mr R's complaint, in essence, is that IG Index Limited ("IG") wrongfully deducted £1000 from his IG account in February 2024. He would like IG index to return this sum to his IG account.

Background

Our investigator considered the complaint – and ultimately decided it shouldn't be upheld.

Our investigator thought IG had returned the funds in response to a 'chargeback' requested by Mr R's bank – and had done nothing wrong. He said Mr R made four £1000 payments to IG from his bank account and IG had credited these four payments to his account. He also said Mr R had made three unsuccessful attempts to pay by card, but these hadn't had a bearing on the payments to or from his bank account or his IG account.

Mr R remained dissatisfied and in particular asked for proof of where the £1000 had been refunded to if it had indeed been refunded from his IG account to his bank account. He has pointed out his bank statements show he paid £1,000 to IG on 7 December but he says IG said this was never received and asked him to contact his bank to explain this - which he did. He points out his bank credited him £1,000 on 12 December and that IG clawed back £1,000 from his IG account as a "chargeback" later. So he says IG still owes him £1,000.

The matter remained unresolved, so it has been passed to me to decide.

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.

IG's records show that on 6 December 2023 Mr R made a card payment of £1000 to IG. It is worth noting that a card payment paid one day might not 'settle' (that is, have the funds taken from the bank account) that same day – this might happen later like the next day.

IG's records show £1000 was also paid to IG on 7 December by 'bank deposit' – meaning bank transfer. Another £1000 was also paid on 8 December in this way and £1000 was paid again on 8 December, also by bank deposit.

So IG's records show it was paid £4000 during that period for Mr R's account. Of this £3000 was paid by bank transfer and £1000, on 6 December, was paid by a card payment.

Looking at Mr R's bank statements, they show a card payment on 7 December 2023 (marked 'VIS') for £1000 to IG's website. This is the card payment he made on 6 December – it was settled and debited from his bank account on 7 December.

Mr R's bank statement shows a further £1000 payment (marked 'BP') to IG on 7 December. This matches the 'bank deposit' on that date in IG's records above. The bank statement also shows two payments being made on 8 December of £1000 to IG, which again match the 'bank deposits' mentioned by IG above for that day.

So Mr R's bank statements show between 6 December and 8 December 2023 £4000 was paid from his bank account to IG - £3000 by bank transfer and £1000 by card payment. This matches IG's records for the period.

We also have IG records that show that in addition to the card payment from 6 December, three other card payments were attempted on 7 December that failed. Those three attempts don't show as debits on Mr R's bank statements or as deposits on IG's deposit records – because no money left Mr R's bank account or was received by IG as a result of them.

But Mr R's bank account does show that on 12 December 2023 a "dispute refund" of £1000 was paid into his account. Mr R has said he tried to make a £1000 card payment and got a refund from his bank – so I assume this is that refund. But what matters for present purposes is that although Mr R received this refund, there is no record of IG deducting £1000 from his IG account at the time or at any time in December 2023. So IG received £4000 from him in that period and didn't refund or return any of that or deduct any of it from his IG account.

In this regard I note that Mr R has sent IG statements showing £1000 being taken from his IG account in February 2024. But he hasn't sent anything to show that £1000 was taken from his IG account in December 2023 – to match the 12 December refund he received from his bank - and IG's records show that £1000 wasn't taken from his IG account at that time.

So Mr R had apparently gained £1000 at that point. But his bank statements say that on 16 January 2024 £1000 was taken from his bank account. The transaction was marked 'dispute re-debit'. The transaction reference was the same as for the 12 December 2023 dispute refund. On the face of it the 12 December 2023 £1000 refund was reversed on 16 January 2024, taking back the £1000.

What I've seen of these last two transactions (the 'dispute refund' and 'dispute re-debit') is from Mr R's bank statements - I don't have any other documents for them. They don't show on IG's records, for example. As far Mr R's IG account is concerned, it remained the case that Mr R had paid £4000 to IG and been credited £4000 by IG. A refund and re-debit within his bank account had then added and then taken away £1000 – but not from or to IG.

On 22 January 2024 Mr R's bank statement shows another £1000 was paid in for a "dispute refund". The reference number is different from the one shared by the 12 December 2023 and 16 January 2024 transactions. The payment paperwork shows it related to the card payment on 6 December that settled on 7 December 2023. I note that having received this £1000 Mr R was again £1000 up – because he'd paid £4000 to IG in December but had £1000 of this back - and IG hadn't yet deducted this from his IG account.

The reason Mr R received this refund is that a chargeback request had been made by his bank (his 'Card Issuer') at that time, asking IG to return £1000. A 24 January 2024 chargeback letter to IG set out all the details and shows the request related to a card payment transacted on 6 December 2023 and processed on 7 December 2023. The transaction reference given also matched the card payment Mr R paid on 6 December 2023 (settled on 7 December).

A chargeback transaction record from IG shows that a £1000 payment (matching all the details above) was settled (meaning returned) by IG on 25 January 2024. Mr R's IG account statement shows IG then deducted £1000 from his IG account on 1 February 2024. This is the chargeback Mr R has complained about.

On this basis I'm satisfied IG settled the chargeback request correctly by returning the relevant amount – and deducted this amount from Mr R's account. I'm also satisfied Mr R did not lose out – as he had £1000 added to his bank account in respect of the chargeback

before he had £1000 deducted from his IG account for it. So these sums match and there is nothing missing. So I find IG has done nothing wrong and I don't uphold the complaint.

It is worth explaining here the reason why Mr R received the refund first, on 22 January, is that when a chargeback request is made, the card scheme repays the sums in question to the bank. So there are in effect three parties – the bank, IG and the card scheme. So the sum Mr R received in his bank account on 22 January was from the card scheme – not from IG. This explains why Mr R could receive £1000 without IG paying anything at that point.

IG then did repay £1000 – by repaying it to the card scheme on 25 January. So at that point the card scheme had been repaid, Mr R had received £1000 and IG had paid out £1000. So the last step was for IG to deduct the £1000 from Mr R's IG account. It did this on 1 February so at that point all parties had been repaid and Mr R had £1000 more in bank account but £1000 less in his IG account.

I don't know why the chargeback was requested by Mr R's bank. But I'm satisfied IG acted correctly by repaying money through the chargeback arrangement and then deducting it from Mr R's IG account – and Mr R didn't lose out as a result. I think Mr R is mistaken in thinking he has had money deducted from his IG account that hasn't been returned to him.

In summary, I'm satisfied IG acted correctly on the chargeback request and Mr R hasn't lost out as a result. I conclude IG hasn't done anything wrong, so I don't uphold the complaint.

My final decision

For the reasons I've given, and in light of all I've said above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 June 2025.

Richard Sheridan
Ombudsman