

The complaint

Mr V complains Metro Bank PLC acted unfairly by not refunding a payment he made using his debit card.

What happened

In September 2024 Mr V booked flights using a company I'll refer to as O. During this process he also signed up for, what he believed to be a free trial membership with O, to receive a discount on the cost of his flight – but later found he'd been charged £69.99.

Unhappy Mr V contacted O, saying he'd signed up for a free trial, but had been charged £69.99. O responded explaining as Mr V had previously benefited from a free trial, he wasn't eligible for a second and under its terms and conditions, he also wasn't eligible for a refund. Alongside this, Mr V asked Metro for help in getting a refund, saying he'd signed up to a free trial and shouldn't be charged.

On 3 October 2024 Metro raised a chargeback with O, which is a process of asking the retailer for a refund via the card scheme provider – Mastercard in this case. Metro also applied a temporary credit of £69.99 to Mr V's account.

However, O defended the chargeback, saying it didn't agree a refund was due. It provided evidence Mr V had previously benefited from a free trial membership, along with its terms and conditions saying this could only be used once. Metro reviewed all the evidence and decided it couldn't challenge the chargeback further, so it re-debited his account in November 2024. Metro didn't change its position after Mr V complained, so he referred the matter to this Service.

An Investigator here looked into what happened, but didn't think Metro had treated Mr V unfairly. They said Metro had correctly followed the chargeback process and it was reasonable not to challenge it further, based on the evidence available.

Mr V didn't agree, in summary he said O had acted unfairly, it hadn't been clear he would be charged or that a free trial could only be used once and pointed to the fact Metro had initially blocked the transaction. He raised concerns Metro had refunded the money, but later taken it back. He also said he couldn't afford to repay the funds.

As no agreement could be reached, the complaint 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.

Firstly, it's important to say, in this decision I'll only be considering Mr V's complaint about the way Metro handled his chargeback claim. I say that because Mr V has raised concerns about correspondence from Metro about repaying the funds it re-debited from his account. While I understand Mr V considers this is all one issue, it doesn't appear he's raised his

concerns with Metro, so he'll need to do that before our Service can look into things.

I think it would also be helpful to explain, in this decision I'm only able to consider how Metro handled the dispute Mr V raised with it. I'm not able to consider the actions of O, as this isn't within the jurisdiction of this Service for these types of complaints.

Chargeback allows for a refund to be made of money paid with a plastic card in certain scenarios. I'm looking here at the actions of Metro and whether it acted fairly and reasonably in the way it handled Mr V's request for help in getting his money back. This will take into account the circumstances of the dispute and how O has acted, but there are other considerations, such as the card scheme rules, which Metro must follow and its own obligations.

Chargebacks are not guaranteed to succeed, the recipient of the funds (O in this case) can choose to challenge or defend a chargeback if it doesn't think it is valid. But I would expect Metro to attempt a chargeback, if there was a reasonable prospect of success, as it did here. If a chargeback is challenged by the other side to the dispute, I would expect Metro to look carefully at the submissions made by the other side and make a decision on whether to continue pursuing the chargeback. I would not expect Metro to pursue it further if the submissions showed it no longer had a reasonable prospect of success.

In this case Metro did attempt a chargeback, under the Mastercard dispute condition "*Goods or Services were either not as described or defective*". This seems reasonable as Mr V said he expected to sign up for a free trial and not be charged – effectively the service he received wasn't as described. But it was defended by O who provided evidence Mr V had previously benefited from a free trial, along with its terms and conditions stating this and that he wasn't eligible for a refund as a result. This gave Metro the option of dropping the chargeback or persevering with it. Here I can see Metro chose not to continue, based on the evidence it received.

In order for Metro to have pursued Mr V's chargeback claim further, the rules say, among other things, evidence is needed that the service provided didn't conform to their description or O didn't honour the terms and conditions.

Here, O provided evidence that when Mr V booked the flights, he was also agreeing to its terms and conditions. These said:

"3.1.2 You can enjoy only one trial period. After that, you can purchase [membership] again, but you will not be eligible for another trial period"

O provided evidence Mr V had previously benefited from a free trial some years earlier. The went on to say:

"3.1.4 If we find that you have benefit from the free trial period more than once on any of our sites, we will be authorized to charge you the annual [membership] fee or charge you for the [membership] discount you have illegitimately benefit from"

So it seems Mr V wasn't eligible for the free trial, as he'd previously benefited from one. And he also wasn't eligible for a refund, as O's terms stated it was still able to charge him for this. I also note, in its response to Mr V's initial complaint to it, O said Mr V could still use the annual subscription, and benefits it provided, for the next year. As such, I haven't seen anything to say the service didn't conform to its description, couldn't be used, or the terms and conditions weren't honoured. Given this, it seems reasonable Metro didn't pursue the chargeback further, as it didn't have the evidence necessary under the reason code.

I'm aware Mr V also raised concerns that Metro applied a temporary credit to his account – but then re-debited the amount. This isn't uncommon in chargeback claims and is a decision a business can choose to make, which isn't unreasonable. As the chargeback was unsuccessful, those funds needed to be returned, so it was reasonable for Metro to re-debit them. I can also see Metro gave him notice of this too as it wrote to him on 17 November 2024 explaining the evidence provided by O, which it also shared with him, meant the chargeback had been defended and the temporary credit would be re-debited. This was then removed from his account on 26 November 2024.

While I appreciate Mr V has now raised concerns about his ability to re-pay the funds, as explained above, he would need to raise any concerns he has about this with Metro in the first instance, before our Service can consider it.

For completeness, Mr V has mentioned the payment to O was originally blocked by M, and has questioned this. Having reviewed the information available, it appears it was the payment for flights, also purchased via O that was blocked by Metro. It told him when he called to release those funds that the payment to O of £69.99 was already pending. Mr V hasn't disputed the payment for the flights, and as I've explained, this complaint is only considering the matter of Metro's handling of the chargeback claim, there's no need for me to make a finding here.

In closing, I'm very sorry to hear of the issues Mr V has faced here – and I know this isn't the outcome he'll want to receive. But based on what I've seen I think Metro did what was expected in the chargeback process. It raised the chargeback on Mr V's behalf, but as it was defended by O, who set out Mr V wasn't eligible for a free-trial or a refund, Metro made the decision not to pursue the chargeback further, which seems reasonable. While it applied a temporary credit, which it later removed, as the chargeback claim was unsuccessful it was also reasonable for it to do this.

My final decision

For the reasons explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 14 July 2025.

Victoria Cheyne
Ombudsman