

The complaint

Miss M complains that ZILCH TECHNOLOGY LIMITED (“Zilch”) failed to pay her the refund she was due after a successful chargeback.

What happened

In November 2024 Miss M contacted Zilch after a purchase she had made with her account did not arrive. Zilch raised a chargeback on 20 November and on 22 November it notified her the chargeback had been successful. Miss M had also contacted her bank about the failed delivery.

Miss M contacted Zilch on 12 December to chase up the refund. It asked for confirmation that she had not received a refund from her bank. Miss M provided a letter from her bank confirming a refund had been given and then taken back. Zilch said it would request a bank transfer.

On 14 January 2025, Miss M contacted Zilch and said no refund had been received and it said this would be dealt with in 3-5 working days. On 22 January 2025, Zilch again said that the matter would be resolved within five working days.

Miss M still had not received the refund and on 6 February she contacted Zilch. It said the refund had been sent. Miss M checked her bank account but no refund had been received and asked Zilch for the ARM number. She gave this to her bank and it confirmed no payment had been received.

Miss M complained and Zilch upheld her complaint offering her an additional £30 to recognise the delay and confirmed payment had been made. However, this had not arrived.

Miss M brought her complaint to this service where it was considered by one of our investigators who recommend it be upheld. She thought Zilch should re-issue the refund and £30 compensation to Miss M.

Zilch asked that she provide confirmation from the bank that it had not been received before it paid the sum. Our investigator didn’t consider that necessary and Zilch said it would review its position but has yet to add anything further.

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.

I find myself in agreement with our investigator that this complaint should be upheld. I will explain why.

The chargeback was successful and the fact Miss M also asked her bank to pursue one should not have caused any significant delay. The bank has confirmed in writing that the sum was deducted from Miss M’s account and then recredited, but it was debited again so that meant it recognised that the matter was being handled by Zilch.

Zilch had said on several occasions that the payment would be processed in the next few days and then it said it had been done, but the evidence from Miss M's bank account shows that the money has not reached her. I cannot say why the money has not been received by Miss M, but it is incumbent on Zilch to ensure she does receive it. Miss M should not have to chase Zilch. It should take the relevant action to ensure the money is paid to her and to liaise with her bank as necessary.

I also consider the sum of £30 in compensation is reasonable.

Putting things right

Zilch should arrange for the chargeback sum plus £30 to be paid to Miss M unless it has already done so since our investigator issued her view. It should also confirm to Miss M what it has done and when so she can check her account.

My final decision

My final decision is that I uphold this complaint and I direct ZILCH TECHNOLOGY LIMITED to ensure Miss M receives her refund plus £30.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 14 May 2025.

Ivor Graham
Ombudsman