

The complaint

Mr S complains that Wise Payments Limited (“Wise”) failed to reclaim payments he made using his debit card.

What happened

Mr S booked flights through a booking agent I’ll refer to as “A”. When A arranged the flights, they sourced both inbound and outbound flights for Mr S and his partner, which were provided by two different airlines. The outbound flights were provided by an airline I’ll refer to as “B”.

Mr S was due to commence his outbound flight at the end of July 2024, but unfortunately was denied boarding. Mr S said this was because B claimed there were issues with his Visa. Mr S said he tried to resolve the issue with B, and A, but was unsuccessful, so he requested that Wise raise a chargeback to reclaim the cost of the flights from A on his behalf.

Wise initially responded and stated that Mr S had provided insufficient information to attempt a chargeback, and based on what he had provided, it was likely to be rejected by the merchant. However, despite Wise concluding that Mr S had failed to provide sufficient information, Wise put forward his chargeback request regardless. It was defended however by the merchant, who said there was; evidence the flight went ahead; evidence that Mr S had agreed to their terms which included a ‘no refund’ policy; and, amongst other things, a lack of evidence to show that Mr S had contacted the flight provider to request a refund. As a result, Wise chose not to pursue the chargeback any further.

Unhappy with Wise’s response, Mr S brought his complaint to our service.

An investigator considered Mr S’s complaint, but didn’t recommend it be upheld. She said that while she felt Mr S hadn’t provided all of the relevant information required for Wise to submit the chargeback request, she was pleased to see that Wise did attempt the chargeback regardless. However, she felt that ‘A’s’ terms set out clearly that the responsibility for the provision of the service, once it had been booked, lie with B, rather than A. So based on this, she didn’t think it was unreasonable for Wise not to pursue matters further in the circumstances, given the lack of evidence and “A’s” response.

Mr S remained unhappy however, and requested his complaint be escalated to an Ombudsman. So, the case was passed to me, to decide.

I set out my provisional findings where I said the following:

“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’m minded to come to a different conclusion to that reached by the investigator.

In certain circumstances, a card issuer can attempt to claim a refund of a payment, or part of it, under the dispute resolution process operated by the card scheme to which

the card belongs (in this case, Visa). Disputing a payment in this way is usually known as a “chargeback”.

Chargebacks are not guaranteed to succeed and can be challenged (defended) by the other side to the dispute. The other side will normally be the merchant from whom a person made their purchase. The chargeback process can go through multiple stages and ends when either side to the dispute concedes, or the card scheme itself is asked to make a ruling on the case.

A consumer cannot demand that their card issuer attempts a chargeback, and that is because it is not a consumer right. However, I would expect the card issuer to attempt a chargeback as a matter of good practice, so long as the chargeback would meet the criteria set out by the card scheme and would have a reasonable prospect of succeeding. I would also expect a card issuer to administer the chargeback process in a competent way and not make errors.

In this case, Wise did attempt a chargeback, and A defended it for a number of reasons. These included, evidence of the flight departing; and amongst others, the flight booking being non-refundable. A’s response however, in my opinion, didn’t really address the concerns that were put forward as part of the chargeback request. And having evidence of a flight going ahead, when Mr S’s argument was that he was unable to board the flight, doesn’t seem to adequately address his concerns in the circumstances. But my role here is not to make judgment on ‘A’s actions, I’m simply including this for context.

Putting aside A’s response, the investigator, in their opinion, seemed to focus on the fact that “A’s” terms and conditions set out that A, having arranged the flights, weren’t responsible for any future issues with the provision of the service, and that this was the responsibility of B. However, I don’t agree with this stance and will explain why.

In May 2020, there was a document published by another card scheme provider, albeit not Mr S’s provider, titled “Dispute Resolution Management During COVID-19”. It provided guidance for participants in the card scheme network on how to deal with common chargeback scenarios. It contained the following question, along with the card scheme provider’s answer.

“Question: The cardholder’s flight has been cancelled and the transaction was billed by an online travel agent (OTA). The OTA tells the cardholder that they are only responsible for making the reservation and not providing the flight. Does an issuer have chargeback rights?

Answer: Yes. In these circumstances, the card scheme provider would view the OTA as the merchant of record, and an agent of the travel supplier, regardless of the terms and conditions disclosed to the cardholder. Under the card scheme’s standards, the OTA, by accepting payment for the service purchased by the cardholder (e.g. flight) and not just for handling the reservation, assumes responsibility for chargebacks if the service is not provided. The OTA should work closely with its travel partners or travel suppliers to avoid a cardholder getting reimbursed twice for the same transaction.”

I accept that this guidance was issued by another card scheme provider to the one that applies to Mr S’s debit card. I also appreciate that we are no longer in the height of the COVID-19 pandemic, when this guidance was issued. That being said, I think the logic still applies today; and the main card scheme providers tend to adopt a similar approach in handling these claims. So, I think the guidance here remains

relevant and should be adopted in this case. So, going against what was set out by the investigator, I am satisfied that A were the responsible party for considering the chargeback request.

When Mr S was refused boarding, it appears that he was refused it in line with B's terms, which allow them to refuse boarding if a customer fails to provide the necessary travel documents. While it's not entirely clear exactly what the issues were with Mr S's Visa, on the face of it, it wouldn't be unreasonable for B to refuse Mr S boarding if they had valid concerns with the documentation he provided. Having not been able to resolve the matter fully with A, or B, Mr S's next step was to try and recover the funds via a chargeback.

There are, however, further reasons why I think it wasn't unreasonable for Wise not to continue to progress Mr S's chargeback request following A's response. And these are the same reasons as to why I don't think Wise necessarily needed to raise the chargeback in the first place. I'll explain.

Mr S claims to have been turned away from boarding the plane due to issues with his Visa. And while he has provided copies of some of the correspondence between him and A, and also B, Wise requested that Mr S provide further evidence.

The chargeback claim was being considered under the section of 'Merchandise/Services Not Received', and the information requested from Wise in order to progress the claim was for Mr S to send in copies of all correspondence between the two parties; specific reasons as to why B refused to allow him to board the plane; and proof that he had submitted a claim to be refunded by B. They said that without this evidence they wouldn't be able to raise a successful claim on his behalf. But it seems that Mr S, satisfied that he'd sent in sufficient information already, didn't provide any further evidence to this effect.

The questions put to Mr S by Wise, in order to pursue his chargeback request, seem reasonable; and they ask for the type of information that would normally be needed in order for a chargeback claim of this nature to potentially be successful. And while I appreciate Mr S had become frustrated with the process and felt he'd already sent in sufficient information, I don't think it would've been unreasonable for A not to progress Mr S's chargeback request further, given the lack of evidence provided and what this would likely mean in terms of the chargeback's success.

I do appreciate Mr S has showed evidence that he was able to travel to his intended destination the following day through a booking made with another provider. But it's not entirely clear what documentation he used for travel here, nor the reasons as to exactly why he was refused travel in the first place by A. So, while I appreciate Mr S was able to secure further travel for which I'm pleased to see, this doesn't detract from the fact that without sufficient information being presented to Wise, in order for them to progress his chargeback request, that it wasn't unreasonable for them not to pursue the matter further.

While disappointing, and I'm sorry Mr S's found himself in this position, for the reasons set out above, I don't currently intend to ask Wise to do anything further in respect of his complaint.

I invited both parties to respond with any further evidence or arguments they wished for me to consider by 12 June 2025.

Wise responded and accepted my findings.

Mr S responded and remained unhappy. He said, amongst other things that he had provided proof that he managed to arrive at his intended destination the following day. And he also queried what was meant by reference to him providing insufficient information.

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 appreciate Mr S believes that as he was able to arrive at his intended destination, as a result of another booking he made, that this means that B were wrong to refuse him boarding. And he's questioned what I meant by him not providing sufficient information.

But my job here isn't to decide specifically whether or not B were wrong to have refused boarding, but whether it was unreasonable for Wise not to proceed with his request to raise a chargeback on his behalf for the money he lost as a result.

As set out in my Provisional Decision, I can see that Wise went back to Mr S and asked for answers to specific questions (in line with the types of questions and requests we would normally see on a case of this nature), but no further information was provided. This included details as to the specific reasons B refused to allow him to board, and what the issues were with his Visa. But given Wise were unable to obtain the necessary information required in order to progress his dispute, I don't think it was unreasonable for them not to take further action, based on the limited evidence they'd received.

So, while I appreciate Mr S remains unhappy, I'm satisfied I've already addressed the above points in my Provisional Decision, and I remain of the opinion that Mr S's complaint against Wise should not be upheld, based on the level of evidence he submitted to Wise.

So, for these reasons, and those set out in my provisional decision, I won't be upholding Mr S's complaint.

My final decision

My final decision is that I do not uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 June 2025.

Brad McIlquham
Ombudsman