



The complaint

Mr C complains HSBC UK Bank Plc didn't do enough to help get a refund for a transaction paid from his debit card.

What happened

In October 2025, Mr C paid a company I'll call "D", £650 to transport his car. Mr C says D failed to collect or transport his car within the agreed dates, so asked for a refund.

Hearing nothing further from D, Mr C asked HSBC for help in getting a refund. HSBC raised a chargeback, which is a process of asking D for a refund, via rules set by the card scheme, Visa in the circumstances of this complaint.

D defended the chargeback, which is to say it didn't agree a refund was due. HSBC sent Mr C a copy of D's response and asked that he provide further evidence if he wished to dispute the transaction further or confirm if he wished to cancel the dispute.

HSBC says Mr C selected the option to cancel his dispute, so it closed the matter. Mr C later complained, saying he hadn't chosen to close the dispute and asked for it to be reopened. HSBC doesn't agree it's done anything wrong. It says it closed the dispute in line with Mr C's instructions and can't reopen a dispute once it's been closed.

Unhappy with HSBC's response, Mr C referred his concerns to our Service. One of our Investigator's looked into things and didn't think HSBC had acted unreasonably. She said HSBC had raised the dispute and closed it based on Mr C's instruction, so didn't think it needed to do anything further.

Mr C disagreed, he said he'd never selected to close the dispute and had been receiving medical treatment at the time. Mr C also reiterated he paid for a service he hadn't received so should receive a refund.

As the matter wasn't resolved, 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.

I've given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

I'm looking here at the actions of HSBC and whether it acted fairly and reasonably in the way it handled Mr C's request for help in getting his money back. This will take into account the circumstances of the dispute and other considerations, such as the card scheme rules, which HSBC must follow and its own obligations. So, in this complaint it isn't for me to say whether D did something wrong, as this falls outside the remit of this decision.

Mr C paid using his debit card. This meant the only realistic option available to HSBC to get his money back was to engage with a process known as chargeback.

The chargeback process provides a way for HSBC to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant (D) and effectively asks for the payment to be returned to the customer. There are grounds or dispute conditions set by the relevant card scheme, and if these are not met, a chargeback is unlikely to succeed.

The process provides an opportunity for a merchant to provide a defence to the chargeback and its own evidence in support of that defence. If the merchant continues to defend the chargeback, HSBC can either accept that defence, or it can ask the card scheme to decide who gets to keep the money, through a process usually referred to as arbitration. It's important to note that the chargeback process doesn't guarantee that a refund will be provided.

Chargeback is designed to be a simple process to settle complaints. The only matters to be considered are the rules set by the card scheme to which the consumer's card belongs, along with the facts of the case.

HSBC raised a chargeback to support Mr C and closed the dispute having received the defence from D, so my decision focuses on whether it was reasonable in doing this.

Having received D's defence, HSBC contacted Mr C and asked that he review the defence provided by D and confirm whether he wished to pursue the dispute or close the matter. HSBC has provided a form signed by Mr C on the 16 January 2025, in which he's selected the option to cancel the dispute and take it no further.

I note Mr C says he has no recollection of ticking this option; however, my role is to make a decision based on the evidence available. In reviewing the information I'm persuaded it's more likely than not that Mr C did select the option to close his dispute. I appreciate it may have been in error, but on receiving this instruction, I don't think HSBC then did anything wrong in closing the dispute as requested.

Once Mr C was aware the dispute was closed, he asked that HSBC reopen it, however the card scheme rules don't allow for a chargeback to be reopened, so I find HSBC was reasonable in explaining it wasn't able to help further.

I appreciate Mr C has explained he was in and out of hospital at the time of returning the form in January 2025, while I'm sorry to hear of this, there isn't a provision within the card scheme rules that then allow for a chargeback to be reopened, so I don't think HSBC made an error on this point.

In conclusion, I'm sorry to hear of the circumstances behind Mr C's complaint, particularly if he's paid for a service he didn't receive. However, in this decision my focus is on the actions of HSBC, and in considering the steps it took, I haven't found it did anything wrong.

HSBC raised the chargeback on Mr C's behalf and closed the dispute having received an instruction from Mr C to do so. I appreciate Mr C may not recall selecting to close the dispute, but having done so, HSBC wasn't then able to reopen or pursue the dispute further. As a result, I won't be asking HSBC to do anything further in relation to this complaint.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 October 2025.

Christopher Convery
Ombudsman