

The complaint

Mr R complains Wise Payments Limited didn't go enough to help get a refund for a transaction made on his debit card.

What happened

In November 2024, Mr R booked a hotel through an online travel agent, which I'll call "B", paying with his Wise debit card. When arriving at the hotel, Mr R had a number of concerns about the accommodation and asked B for help in resolving this. B said it wasn't able to arrange alternative accommodation but offered to credit his account with approximately \$33 which could be used towards a future booking.

Following this, Mr R contacted Wise for help in getting a refund. Wise considered whether it could raise a chargeback, which is a process of asking B for a refund, via rules set by the card scheme, Visa in the circumstances of this complaint.

Having reviewed the information Mr R provided, Wise wasn't confident a chargeback would be successful, so declined to raise one on Mr R's behalf. Mr R consequently complained, he said he'd provided clear evidence the hotel wasn't to the standard expected and Wise wasn't doing enough to support him.

Wise doesn't agree it's done anything wrong. It says the card scheme sets specific rules under which a chargeback can be raised and as it didn't have all the information it requested from Mr R, it wasn't unreasonable that it hadn't raised a chargeback.

Unhappy with Wise's response, Mr R referred his concerns to our Service. One of our Investigator's looked into what happened and didn't think Wise had done anything wrong, so didn't recommend it do anything further.

Mr R disagreed, he said Wise failed to properly understand the basis of his dispute and the lack of care provided by B which led him to raise the dispute.

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 Wise and whether it acted fairly and reasonably in the way it handled Mr R'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 Wise 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 R paid using his debit card. This meant the only realistic option available to Wise to get his money back was to engage with a process known as chargeback.

The chargeback process provides a way for Wise to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant (B) 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.

It isn't a requirement that a card provider such as Wise must raise a chargeback every time it's asked to, but where the circumstances of a dispute are supported by the card scheme rules, I'd expect it to do this in support of its customer.

Wise didn't raise a chargeback on behalf of Mr R, so I've reviewed whether it was fair in making this decision.

The card scheme rules set strict rules and exclusions that dictate whether a chargeback will be successful. Having reviewed the card scheme rules against the basis of Mr R's dispute, while I'm sorry to hear of his disappointment with the hotel and his interactions with B, I think Wise was reasonable in its decision not to raise a chargeback.

When a dispute relates to the quality of services, such as a hotel stay, the rules set out that any dispute is limited to the portion of the cancelled service – when this relates to hotel accommodation it's broadly accepted as the unused or cancelled nights of the reservation.

The rules go on to say a merchant (B) can defend a chargeback if it has evidence a credit that its issued hasn't been addressed in the dispute that's been raised.

So, while I understand Mr R was frustrated with the questions Wise was asking, I think it was doing this to try and better understand whether any chargeback would be successful and if so ensure it submitted everything to support the dispute.

I note Mr R says Wise should have pursued his dispute from reading his submission and understanding the impact this had had on him, while I empathise the position Mr R found himself in when staying in the hotel, Wise must consider whether to raise any chargeback against the rules set by the card scheme, rather than solely the merits of the dispute.

From the evidence Wise was provided, it wasn't clear whether Mr R stayed for the duration of his booking, and I can't see a clear explanation from Mr R on why he felt the credit B offered wasn't a fair resolution to his complaint. So, on this basis, I think Wise was reasonable in its decision not to raise a chargeback as it hadn't received all the information it required and from what it had been provided, it wasn't confident a chargeback would succeed.

As a result, while I'm sorry to hear of Mr R's disappointment with the hotel and service he received from B, I haven't found Wise did anything wrong in its handling of his request for help in getting a refund. Wise considered whether it could raise a chargeback and asked for information relevant to the dispute. Wise didn't receive all the information it had asked for and therefore wasn't confident a chargeback would succeed, so I think it was consequently fair in its decision not to raise the dispute. Therefore, I won't be asking Wise 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 R to accept or reject my decision before 28 October 2025.

Christopher Convery
Ombudsman