

The complaint

Mr S is unhappy that TSB Bank plc (“TSB”) didn’t raise a chargeback in relation to a transaction from his bank account.

What happened

In April 2025, Mr S sent money to a third party using a remittance service I’ll call ‘R’. Mr S paid this using his TSB debit card, and his account statement shows that R received £490.86 from him.

Mr S subsequently contacted TSB to dispute the payment. He said this was a deposit he paid to secure a property to rent but the property owner attempted to increase the price and the agreement terms. Mr S said he tried to cancel the contract, to which the owner agreed, but the owner then backed out and refused to cancel the tenancy agreement and blocked all contact from him. Mr S sent TSB evidence of WhatsApp conversations between himself and the owner, a chronology of events, and a copy of the tenancy agreement.

TSB decided not to raise a chargeback. They told Mr S that the card scheme operator doesn’t allow chargebacks to be raised for payments to third party money transfer sites or apps. TSB also said they had processed the payment to R directly, not the recipient, and so Mr S should raise this with R.

Mr S complained to TSB about their decision, but they didn’t uphold the complaint. So, Mr S referred the matter to us. Our investigator didn’t think TSB had done anything wrong. Mr S didn’t agree, and so his 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.

In doing so, I’ve considered whether TSB acted fairly in not raising a chargeback for the disputed transaction.

The payment in question was made by Mr S using his TSB debit card. The only potential recovery option for this transaction would have been through the chargeback scheme. The chargeback process is voluntary and run by the card scheme operator, in this case VISA, whereby it will ultimately arbitrate on a dispute between a merchant and a consumer if it can’t be resolved between them after ‘presentment’ of the claim.

Such arbitration is subject to the rules set in place by VISA – so there are limited grounds on which a chargeback can succeed or be deemed a ‘valid claim’. Our role in such cases isn’t to second-guess the VISA rules, but to determine whether the card issuer, here TSB, acted fairly and reasonably when presenting (or choosing not to present) a chargeback on behalf of its customer.

I can see that TSB didn’t attempt a chargeback. I think that decision was reasonable as R

hadn't failed to provide the services they said they would – that is, to transfer money to an account held elsewhere. So, as R provided the requested services to Mr S, any chargeback attempt would have no reasonable prospect of success.

So, I find that TSB didn't act unfairly by not raising a chargeback. It follows therefore that I won't be upholding Mr S's complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 March 2026.

Daniel Picken
Ombudsman