

The complaint

Mr R is unhappy with the actions of THE CO-OPERATIVE BANK P.L.C ('The Co-op') after he made payments to a clinic for treatments which he subsequently doesn't think is operating legitimately. He believes The Co-op misadvised him about which payments he could raise a dispute about, which has resulted in a financial loss to himself after he has been unable to recover all of the payments he made via chargeback claims.

What happened

Mr R came across an advert for a clinic that offered treatments – I'll refer to the clinic going forward as 'A'. The specific treatment Mr R was looking to have was advertised at a price of £667.

Mr R contacted A, and says he was advised that the fees included a £50 consultation fee. Mr R attended A and received the treatment. However, after the treatment had taken place, around 2 August 2023, Mr R said he noticed A had charged him the amounts of £50 and £649. As such, Mr R believes he was overcharged by £32 – from the advertised price of £667, which was meant to have included the consultation fee.

Mr R also pre-paid £199 for a future treatment which he was due to re-attend A for at a later date. But after noticing the overcharge for the initial treatment, amongst other things, Mr R had some concerns about A. Because of this, Mr R didn't wish to go ahead with the second treatment and asked for a refund of the £199 payment and the overcharge amount of £32. A didn't provide a refund of these.

On 16 August 2023, Mr R contacted The Co-op to dispute the payments made to A. Mr R says an agent for The Co-op at this time informed him that the bank wouldn't be able to dispute the consultation fee of £50 and the £649 treatment as the services had been provided. Mr R adds that he was initially told it might be able to raise a chargeback for the £199 payment he paid for, however, says he was later told this might not be covered either under the Visa Chargeback rules.

Mr R complained to The Co-op on 18 August 2023, and The Co-op issued a response letter on 1 November 2023. In this letter, The Co-op recognised Mr R was seeking a refund of the amount he was overcharged, £32, and £199 for the pre-paid future treatment which he'd asked A to cancel. The Co-op asked Mr R to send further evidence to the disputes team - to show the clinic had agreed to deduct the consultation fee from the subsequent payment. They also asked him to provide information relating to the £199 payment. It acknowledged the call on 16 August 2023, and said in the circumstances, the agent suggested Mr R liaise with A to obtain the refunds. It said the agent was adhering to bank policy by referring him back to A and it was satisfied they handled the query correctly.

However, The Co-op did accept there was a delay in responding to Mr R's complaint within the timescales and so credited his account with £50 compensation to reflect the delay. Following this, on 28 November 2023, Mr R made contact with the disputes team and provided information and, the chargeback claims were raised. Mr R receive three

chargebacks for the payments of £50, £649 and £199 – with the refunds then passed to Mr R.

Mr R told us he received no contact about the refunds and so, based on what he believed to be correct from the call of 16 August 2023, he contacted The Co-op to say the refund of £50 and £649 must've been in error as he'd been led to believe these payments could not be disputed. He focussed on the £199 and the £32 overcharge from the initial payments. As a result, on 7 December 2023, the amounts of £50 and £649 were re-debited from Mr R's account. The Co-op wrote off the amount of £32 and this was passed to Mr R. In February 2024, the dispute team realised Mr R had received a duplicated refund for the amount of £199 – one paid in December 2023 and the other in January 2024. Contact was made with Mr R and the amount of £199 was re-debited from his account with his permission.

In November 2024, Mr R made further contact with The Co-op about his unhappiness with how The Co-op handled his claim, and he complained about this. Mr R remains unhappy – he has expressed his confusion over why his initial chargeback requests were denied and the decision then reversed with no explanation after raising a complaint. He is also unhappy he's not received a refund for the £667 treatment which he feels he has presented evidence of misrepresentation for.

After the initial complaint Mr R raised in August 2023, he raised a further complaint in November 2024. Since the initial complaint Mr R has gathered further evidence of what he feels shows malpractice at A. Following the new evidence Mr R maintains that The Co-op ought to refund the outstanding amount.

Mr R feels The Co-op has contravened FCA Consumer Principles (Principles 6 & 7) and the Payment Services Regulations 2017 (Regulation 76 & 77). He believes that had The Co-op upheld its regulatory obligations his chargeback request would've been properly assessed from the outset and unnecessary confusion, stress and financial loss would've been prevented. Mr R adds that The Co-op's inconsistent handling of his case not only left him financially disadvantaged but has also enabled A to continue to deceive others.

The Co-op considered Mr R's concerns about not receiving a refund of £667 and his belief that it had failed to consider consumer protection laws and FCA regulations under a separate complaint. It issued its final response letter on 3 April 2025. Having done so, it said the disputes team reviewed the case and declined a refund on the basis that a misrepresentation dispute was not raised at the time, and Mr R did not provide evidence to support such a claim. It added it was outside the timescales to raise a dispute for £667 with Visa. The Co-op believes that even had a misrepresentation dispute been raised, it would likely not have succeeded. It notes it would've required Mr R to provide evidence to support the claim and that this evidence has only just come to light and therefore, would not have been available in 2023 and within the Visa timescales to raise the dispute.

In this letter, The Co-op calculated the original payments to be £1,796, which was made up of:

- Original payments Mr R made to A for £50, £649 and £199.
- Redebited amounts of £50, £649 (after bank credited Mr R's account these amounts once the disputes were raised) and £199.

Of this, The Co-op said it refunded Mr R £1,129, which was made up of;

- £50, £649, £199 and £32 overcharge and, a further £199

This left the disputed amount of £667.

Overall, The Co-op maintained that the correct outcome was reached initially and so didn't uphold Mr R's further complaint.

I issued a provisional decision on this case on 11 September 2025. In my provisional decision, I explained the following;

"As set out within the header of this provisional decision, the jurisdiction aspect of this complaint has been resolved informally with The Co-op and, agreement received that this complaint is one that this service can consider further. Given that this aspect has been informally resolved with The Co-op, I will not set those reasons out again here in this decision, I will focus on the merits of the complaint Mr R has brought to our service.

In doing so, I'm minded to uphold this complaint in part. I will now set out my reasons why.

In setting out my findings within this provisional decision I have looked to address the main aspects in turn.

Chargeback(s)

Mr R has received a refund for the payment of £199 and £32 to reflect the overcharge amount he says he was charged when making the payments for the initial treatment (£50 and £649). Because of this, I won't comment on the £199 or £32 payment further. I will turn my attention to Mr R's unhappiness at not receiving a refund for the remaining amount of £667 – which is the amount for the initial treatment he had at A.

Chargeback is a voluntary scheme run by the card scheme operator (here it's Visa) to process settlement disputes between the card issuer (such as The Co-op) – on behalf of the cardholder (Mr R) – and the merchant (here it's the clinic - A, Mr R made the payment to). It is not a legal right that the cardholder has.

Visa sets the chargeback rules and time limits for transactions made using the Visa card scheme. And it is Visa that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder's behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn't necessarily expect it to raise a chargeback.

Under Visa's rules applicable to this case, a chargeback must be requested within (i) 120 days of the transaction processing date or (ii) within 120 days of the last date the cardholder expected to receive the goods or services (but not exceeding 540 days from the transaction processing date).

Mr R's outstanding dissatisfaction is around a chargeback request for the payments of £50 and £649 that he made to A in August 2023. Mr R contacted the Co-op on 16 August 2023 to raise disputes about these payments – given his concerns about A and to ask what he could do to recover his money. I acknowledge Mr R feels the advice given to him in this call led him to believe that he could not raise a dispute in relation to these two payments and so when the three chargebacks were subsequently raised by The Co-op, he contacted it to say the chargebacks raised for the payments of £50 and £649 must've been in error. Mr R feels The Co-ops unclear and misinformation has prevented him from recovering the outstanding amount of £667 – (this amount is calculated from £50 + £649 = £ 699, less the £32 overcharge refund).

The Co-op maintains within its final response of 3 April 2025 that it was outside of the timescales to raise a dispute of this amount with Visa. The Co-op believes that even had a

misrepresentation dispute been raised, it would likely not have succeeded. It notes it would've required Mr R to provide evidence to support the claim and that this evidence has only recently come to light and therefore, would not have been available in 2023 and within the Visa timescales to raise the dispute.

I've thought carefully about this, and while I'm aware this will come as a disappointment to Mr R, I'm not persuaded the agent in the call in August 2023 or The Co-op's position within the final response of 3 April 2025, is an unreasonable one. I'm mindful Mr R continued to do research into A after he initially raised the dispute with The Co-op and gathered information over a period of time subsequent to this. It follows that I'm not persuaded Mr R would've had the information needed to support the claim at the time it was raised – had it not been revoked after he asked The Co-op to focus on the payments of £199 and £32.

I acknowledge Mr R's specific grievance and reasons as to why he informed The Co-op that the chargebacks for the £50 and £649 must've been raised in error and I will address this further in my provisional decision.

I'm further mindful that Mr R confirmed he received treatment from A for which he paid £50 and £649. I think it's more likely than not that a chargeback would've been successfully defended when taking into account Mr R received treatment from A (the merchant) and that, at the time, he wouldn't have been in possession of all the information that he is now. On balance, I think it's more likely than not that Visa would have likely said Mr R received services and that he hadn't sufficiently proved otherwise.

Customer service

Taking everything I've seen and been told into account, I'm minded to find the level of customer service Mr R received when trying to raise the claims and The Co-op's subsequent handling of the matter fell below the level of service, I think he ought to have received. I'll now set out my reasons why.

Mr R was given information within the call with an agent on 16 August 2023 where he was informed the payments of £50 and £649 couldn't be disputed due to the services already having been provided. Mr R appears to have taken what he was told verbally at face value and so he focussed on the £199 payment and the £32 overcharge (the difference between what Mr R said he was told he'd pay to the amount he was charged by A).

I'm satisfied that the forms Mr R submitted raising his complaints and concerns refer to him requesting that the agent disputes the original payments. To my mind, it's clear that Mr R was unhappy about all of the payments, even in the knowledge that he focussed more on the £199 and £32 overcharge following the verbal information given to him on 16 August 2023.

In the circumstances of this case, I don't find The Co-op has explained things clearly to Mr R – as I would've expected it to have. Firstly, it seems The Co-op tells Mr R he cannot dispute the payments of £50 and £649 and so, Mr R focusses on the payment for £199 and the £32 overcharge. The Co-op then issues its response letter of 1 November 2023.

I've been told that at the time Mr R raised the complaint he wanted to raise a chargeback, and The Co-op had refused a chargeback for him. And so, in the response letter it was confirmed that the disputes team would consider raising a claim for him once information was provided.

The disputes team then went on to refund the amounts of £199, £50 and £649. I think at this point, a lot of confusion was caused – especially since Mr R has said he received the

refunds from The Co-op without any explanation about them.

I think more likely than not, it is this point that has given cause for complaint and Mr R's expressed confusion over why his initial chargeback requests were denied and why the decision was then reversed with no explanation after his initial complaint was raised. I say this because, Mr R took what he was told verbally about two of the payments being ones he could not dispute at face value by the agent. After raising a complaint, he then provides information to the disputes team and receives a refund of all three payments. I think understandably this would've given rise to Mr R's confusion as to what payments could and couldn't be disputed and, his overall complaint about the handling of the chargebacks amongst other things.

I'm persuaded the further confusion, and dissatisfaction could've been avoided here. In respect of the unnecessary confusion caused in this case, I'm persuaded a further £100 compensation is warranted for the additional distress and inconvenience caused, which in my opinion could've been avoided had there been clear communication and explanation around the payments and the chargeback process.

The Co-op has agreed to this recommendation following my informal mediation with it around the jurisdiction aspect.

Consumer rights/ FCA principles

I note Mr R's unhappiness about A and his concerns around the way it operates and runs. I also understand from Mr R's submissions to us that he feels The Co-op ought to have/do more with regards to A and preventing others from being deceived by A.

I think it's important to note that it isn't for The Co-op to investigate A or somehow prove that A wasn't operating legitimately. It was for The Co-op to consider the payments under the applicable chargeback scheme/rules and to proceed in view of these. I've already set out my thoughts on this aspect above.

Mr R has commented that The Co-op has contravened the FCA Consumer principles (6&7) and The Payment Services Regulations 2017 (regulation 76&77) and in not upholding its obligations he has suffered a financial loss, unnecessary confusion and stress.

Regardless of whether Mr R's consumer rights had been breached, the key issue here is whether his claim was strong enough to show he had not received any services in line with the strict limitations and requirements of the chargeback rules. These rules don't specifically incorporate consumer rights law and I don't think any disclosure obligations are materially relevant to determining whether services were received under those rules.

Mr R may have a direct claim against A, but The Co-op isn't responsible for A's actions. The Co-op's role is limited to handling the chargeback process fairly.

For the reasons I've already stated, I don't think the chargeback for the initial treatment payments had a reasonable prospect of success as I believe the merchant would've been able to successfully defend the claim as a treatment had been provided to Mr R, which he confirmed he received- irrespective of his later concerns around the specifics of the treatment and laser machine used. It follows that, even in the event, I consider better, and clearer information ought to have been provided to Mr R at the time, I'm not persuaded Mr R has been disadvantaged in regard to any possible chargeback for the outstanding amount of £667 he is seeking. As I don't think the chargeback would've been successful.

It follows, I'm not minded to ask The Co-op to reimburse Mr R the amount of £667. I note

The Co-op took the decision at the time to write-off the amount of £32 and refunded this to him. As such, I'm persuaded Mr R has been put back in the position he would have been in with regards to the initial payments for the treatment he received at A.

I know this will come as a disappointment to Mr R – not to receive the remaining payment back – but my role is to look at whether I think The Co-op has acted unfairly and unreasonably with regards to how it has handled his chargeback claims. For the reasons I've explained above, I consider better customer service could've been given to him and that this in turn, could've prevented the confusion Mr R understandably has around the chargeback process and the different payments. For this, I have made an award to reflect the distress and inconvenience which I think could've been avoided.

This said, poor customer service does not mean The Co-op ought to refund the outstanding payment amount. And all things considered, I'm currently satisfied that had a chargeback claim been raised for the payments of £50 and £649 that these more likely than not would've been successfully defended by the merchant (A) under the Visa chargeback rules”.

The Co-op responded accepting my provisional decision and agreed to pay the £100 compensation amount if accepted by Mr R.

Mr R responded – disagreeing with the outcome and outlining further points. I considered Mr R's further points and responded to him on 17 October 2025 and, also shared a copy of this response with The Co-op. I've shared an extract from this communication, outlining my position.

“While not limited to, I note your additional points are largely in relation to the outstanding amount of £667. You feel The Co-op's miscommunication has deprived you of the opportunity of claiming this amount back under specific Visa chargeback codes.

To summarise you have raised the following points:

- *The chargeback claim should have been pursued under Visa's “not as describe/misrepresentation” route. Therefore, the fact that you received a treatment is not relevant.*
- *This is on the basis that, A, falsely advertised clinic staff and expertise, that it offered false time-limited deals, no consent or medical history was taken, and it also attempted to re-use/recharge your card when you say you didn't give consent to your card details being retained by A.*
- *You maintain that this information was available at the time of speaking to The Co-op when initially raising the payments and chargebacks.*
- *You consider The Co-op's misleading information means you've lost an opportunity to recover the money. You believe your claim had a strong prospect of success.*

Having carefully considered these additional points, I'm afraid I'm not persuaded they change my outcome, and I wished to address these, prior to reaching my final decision on the complaint.

Chargeback routes

I'm aware you believe The Co-op ought to have pursued a chargeback for the amount of £667 (the initial laser treatment you had with A). You believe that the chargeback should

have been processed via Visa's chargeback reasons of 'not as described/misrepresentation'. I think it's important to note that a chargeback cannot be raised under multiple reason codes – a bank would pick one reason code when raising a chargeback and the route you have referred to relates to two specific/separate reason codes under the Visa chargeback scheme – namely, misrepresentation disputes or not as described or defective merchandise/services.

I've carefully thought about each reason code you've referred to in consideration of all the evidence and information I've received from you and The Co-op.

Misrepresentation

When looking at the Visa scheme rules relevant to the payment you made in August 2023, it shows that a dispute amount is limited to the unused portion of the cancelled service or value of the merchandise that the Cardholder returned or, if applicable, attempted to return. It states that before the Issuer may initiate a dispute, the Cardholder must attempt to resolve the dispute with the merchant.

In the specific circumstances of this case, you paid £667 in relation to a single [...] treatment which you received. As such, you received the treatment in full and so there is no unused portion in which a dispute can be raised under misrepresentation.

In addition, from everything I've seen and been told, while I understand you contacted A in relation to being overcharged for the treatment (the £50 consultation fee not being deducted from the treatment amount), I've not seen anything that suggests or shows you disputed the [...] treatment with A.

In view of this, my outcome remains unchanged - I think it is more likely than not that a chargeback claim under the reason code of misrepresentation was unlikely to be successful.

Not as described or defective merchandise/services

I've then thought carefully about the other reason you have highlighted. Here, I think it's important to note that the consideration would be in relation to the treatment and not the concerns you have in relation to A itself, around its practices (no consent or medical history taken or falsely advertised staff or expertise).

As I understand it, the payment that remains in dispute – was for a single [...] treatment which you had. I believe it would have been difficult to successfully raise a claim via this reason code. I say this because, when reviewing the Visa scheme dispute conditions, it would have required evidence that;

- The merchandise or service did not match what was described on the transaction receipt or other records presented at the time of purchase.*
- That the merchandise received by the Cardholder was damaged or defective.*
- The cardholder disputes the quality of the merchandise or services received.*

As I've highlighted this would be focussed on the treatment you paid for – the [...] treatment and not the wider concerns you have about A. With this in mind, here you received the merchandise/service – the laser treatment. I consider such treatments within this field to be very subjective as to whether they are considered successful. What I mean by this, is that they are very person specific and one treatment in isolation might mean it's difficult to see results – as results might come after numerous treatments or after a period of time. It follows that I'm persuaded this would be difficult to challenge under a chargeback claim.

In light of the above, while I recognise this will come as a disappointment to you, after careful

consideration, my decision on this aspect remains unchanged. For the reasons already set out in my provisional decision and the additional reasons above, I'm not persuaded a chargeback claim for the outstanding amount of £667 would've likely been successful under the reasons you've highlighted.

Customer service

For completeness, for the reasons I already set out within my provisional decision, it remains that I consider a further £100 compensation is warranted for the additional distress and inconvenience caused, which in my opinion could've been avoided had there been clear communication and explanation around the payments and the chargeback process. I've taken your comments on board around an increase in the compensation amount I have recommended, but I'm satisfied the award is within a fair and reasonable range for the distress and inconvenience caused to you, in my view. So, I do not make any additional recommendation on this point".

Mr R has since responded to this, reiterating his unhappiness with the outcome and his belief that The Co-op should reimburse him for the outstanding amount of £667. In brief, Mr R says in relation to my thoughts around a misrepresentation claim, that the reason he didn't attempt to pursue the clinic for a refund of the initial treatment was because he'd been misinformed by The Co-op – that he was told it was not possible to contest payments for services already received.

In respect of the chargeback code – 'not as describe or defective merchandise/services', Mr R, reiterates that the grounds he's raised materially impact the Visa criteria. He maintains that the quality and integrity of a service are inseparable from the legitimacy and competence of the provider.

Alongside his comments, Mr R has provided a response he's received after he reached out to Visa. Visa informed Mr R that it does not have relationships with cardholders or merchants. It adds that only Mr R's financial institution could provide him with information about these rules and their application in any circumstances. It suggested Mr R recontact his bank for clarification. Mr R feels Visa's clarification confirms that interpretation and application of the chargeback rules rests solely with The Co-op. Mr R emphasises that had The Co-op communicated clearly and accurately it's role, interpretation and application of the Visa chargeback rules, that the chargebacks would have been allowed to stand and like the others, a chargeback for the outstanding amount would've been successful.

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 R taking the time to respond to my provisional decision and further communication following this. I recognise Mr R feels very strongly about this matter and while I know this will come as a disappointment to him, I see no reason to depart from the outcome I've previously outlined.

In my role at the Financial Ombudsman Service, it is for me to interpret the evidence presented to me. While Mr R feels very strongly that The Co-op ought to have sought to recover the initial treatment payment via a chargeback claim, and that its miscommunication deprived him of this opportunity, for the reasons I've already explained I'm afraid I don't agree.

Based on everything I've seen and been told, for the reasons set out in my provisional decision and further correspondence of 17 October 2025, I don't think it is more likely than not that a chargeback for the payment of £667 would've been successful.

I recognise that some distress and inconvenience could've been avoided had there been clearer communication and explanation around the payments and the chargeback process for which I'm satisfied a further £100 compensation should be awarded.

This said, it does not follow that I think this means the chargeback claim for the initial treatment payment (£667) ought to be reimbursed. Having carefully considered everything I've seen and been told, I won't be changing my findings for all the reasons I've previously explained.

Putting things right

To put matters right, THE CO-OPERATIVE BANK P.L.C. should;

- Pay Mr R £100 compensation to reflect the confusion caused by the misinformation given to him.

My final decision

For the reasons set out above, my final decision is that I uphold this complaint in part against THE CO-OPERATIVE BANK P.L.C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 December 2025.

Staci Rowland
Ombudsman