

## The complaint

Mr E has complained about how NewDay Ltd trading as John Lewis Partnership Credit Card (NewDay) handled his claim for money back in relation to transactions made on his credit card.

## What happened

In April 2025, Mr E made two payments of £3,500 and £2,900 to a merchant using his NewDay credit card. Shortly after he asked NewDay to dispute the payments by completing two dispute forms, on which he explained that the payments were for panels that the merchant was refusing to deliver. The merchant's name on the statements had the name solar in it. When Mr E contacted this service he explained the payments were for accommodation he had arranged for himself and his family.

NewDay explained that it attempted a chargeback for each of the transactions under the 'Goods or Services Not Provided' reason code and credited the two disputed amounts to Mr E's account. Upon receiving the merchant's response through the merchant's bank, which said that Mr E had purchased and paid for the goods/services at the point of sale, NewDay decided not to take the chargebacks further and reversed the two temporary credits on Mr E's account. Mr E raised a complaint, explaining that he didn't receive any notification from NewDay about the outcome of the chargebacks and only became aware when he received a notification that his account was over the limit.

In its response NewDay explained that it was Mr E's responsibility to select the correct dispute code and said the declaration form made it clear that he must provide supporting evidence and that failure to do so might invalidate his claim, noting how important this was given it could only raise a chargeback once. It explained the chargeback timescales and said that once attempted, if a merchant responds, it would have 30 days to review the response and provide its own response. It said the merchant's response showed that goods were taken from the store and therefore it said Mr E's claim was invalid, and said an email was sent to him explaining this and that the chargebacks would be reversed.

Unhappy with this response, Mr E referred his complaint to this service for an independent opinion. Our Investigator looked into this complaint and upheld it. She explained that she thought NewDay had processed the dispute incorrectly, noting that it should've been raised as goods/services were not received. She said that as a result the merchant's response was in relation to the validity of the payment, setting out how payment was made, noting that the merchant's response didn't confirm the goods or services were received. She felt that had the dispute been raised correctly it would likely have been successful, given Mr E provided evidence from the merchant to confirm he was due a refund. She asked NewDay to treat the chargebacks as if they had been successful and rework the credit card account on this basis.

Mr E accepted, but NewDay disagreed. It explained that it did process the disputes correctly, based on the 'goods or services not received' dispute reason code, noting that this is what Mr E selected. It also noted the differing description of the goods that Mr E provided to

NewDay and to this service, noting only these two transactions had been disputed on this account and so there weren't any other claims that it felt could've caused the confusion.

Our Investigator reconsidered and her opinion remained the same. She said she felt the merchant's response was insufficient to make the chargebacks unsuccessful, as it didn't demonstrate that the goods or services were received at the point of sale. She went on to say that as Mr E provided supporting evidence, in the form of an email from the merchant confirming he was due a refund, NewDay ought to have taken the chargebacks further.

NewDay didn't agree, noting the other dispute referred to was in relation to an unrelated matter on another card, and so the complaint was passed to me to decide. I issued a provisional decision, explaining why I intended to reach a different outcome to our Investigator. In that I said:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*My summary above and comments below will focus on what I consider to be the key points to this complaint. Whilst I've considered everything in detail, if I don't comment on a particular point, it's because I don't feel that I need to in order to reach a fair answer on this complaint. It's not meant as a discourtesy, but instead it reflects the informal nature of this service.*

*To be clear, I am only determining whether NewDay treated Mr E fairly in how it handled the disputes, and not the actions of the merchant as their actions don't fall within this service's remit. Whilst there may have been issues, it doesn't necessarily mean that NewDay treated Mr E unfairly.*

*There were two ways in which NewDay could potentially assist Mr E in getting a refund for the transactions, either through a chargeback or a Section 75 claim. I've considered each in turn.*

### Chargebacks

*There are set rules and criteria under which NewDay would need to follow as part of the chargeback process. These rules are set by the card scheme and cannot be altered or amended by NewDay. Part of these rules set out the situations in which a chargeback can be raised in the form of reason codes, along with specific criteria for each code, at each stage of the process. A chargeback isn't an automatic right for consumers and in Mr E's circumstances NewDay had discretion to decide whether to attempt the chargebacks or not and whether to pursue them further once they'd been attempted.*

*NewDay has provided a copy of each declaration form that Mr E completed and signed when he first notified NewDay of the disputes, which shows he selected 'Goods or services were not received' as the reason for the dispute. The forms also show that Mr E input the reason for the disputes as 'They said he won't be able to deliver the panels anymore and is refusing to issue a refund'. The signed form also explains the need for Mr E to supply evidence, providing an example list of supporting evidence and says that failure to provide evidence or detail may invalidate the claim and result in any credits being reversed.*

*NewDay has also provided screenshots of the online dispute process, showing what Mr E would have seen and completed, resulting in the dispute forms being created. The screenshots set out that correspondence with the supplier and a copy of the*

agreement should be provided and has a section for supporting evidence to be uploaded. As such, I'm satisfied that NewDay made it clear to Mr E that there was a requirement to supply supporting evidence and gave him the opportunity to provide this.

NewDay attempted a chargeback for each of the two transactions in dispute. It has confirmed it attempted them based on the reason code Mr E selected. I haven't seen any evidence to suggest that NewDay chose to use an alternative reason code and so I'm persuaded that NewDay used the most appropriate reason code of 'Goods or Services Not Provided', based on what Mr E told it. I'm satisfied that NewDay treated Mr E fairly by attempting the chargebacks. Upon receiving the merchant's response, NewDay decided not to pursue the chargebacks further and so I need to decide if this was fair or not, bearing in mind it had no obligation to pursue them further.

In response to the chargebacks, the merchant's bank provided very little evidence. It said Mr E had purchased and paid for the goods/services at the point of sale. There was no mention of what the goods or services purchased were and so at that point NewDay had information from Mr E that the panels he purchased couldn't be delivered and so he wanted a refund for them, as well as information from the merchant to show Mr E had purchased goods or services at the point of sale.

Upon making the decision not to take the chargebacks further, NewDay said it wrote to Mr E via IMI to let him know that the merchant hadn't agreed to the refund and it would not be taking the claim further as the merchant's evidence showed the goods were taken from store. NewDay hasn't been able to provide a full copy of the message it sent to Mr E, but it provided a copy of the text showing it was sent to his email address, as well as notes created on the same day it said it sent the message, suggesting it was sent. Mr E says he never received it. Whilst I can't be sure if this was sent or not, and I'm also not sure I fully agree with NewDay's interpretation of the merchant's response in that it showed the goods were taken from the store, I'm not persuaded either of these things would have made a difference to the outcome of the dispute.

I say this because if NewDay did send the email to Mr E, or it interpreted the evidence in a different way, the next step would likely have been for NewDay to give Mr E an opportunity to provide a response to the merchant's defence. Had it done so, I'm not persuaded Mr E could have provided evidence to demonstrate what he paid for or evidence that the chargebacks had a good prospect of succeeding and so I think it's likely NewDay would've made the same decision not to pursue them further. I'll explain why I say this.

In order to pursue the chargebacks further, I think it's more likely than not that NewDay would've required more information from Mr E to support his disputes. I've considered what the follow up email Mr E sent to NewDay shortly after becoming aware the refunds had been reversed told NewDay about the disputes. Within this he explained the payments were for accommodation booking. This is in contrast to the information he supplied when he first raised the disputes, in which he stated the payments were for panels. Based on this inconsistency, I think NewDay would've needed more information to understand what the payments were for, to be sure the chargebacks had a good prospect of succeeding if it were to pursue them further and had it asked for this, I would have considered that to be fair. I've thought about what would have happened if NewDay had asked for this.

When Mr E first contacted this service he said 'I was not asked for any evidence at the time and even if I was, I did not have any at the time and the proprietor had

assured me he would respond to any queries from the bank.' In addition, our Investigator asked Mr E for various pieces of evidence including an invoice or confirmation of the booking and he confirmed he didn't receive this as he booked on the phone. As such, I'm not persuaded that he would have been able to provide NewDay with the supporting evidence that it would have needed to clarify what the payments in dispute were for in order to pursue the chargebacks further. As such, I think it's more likely than not that NewDay would've fairly made the decision not to pursue the chargebacks further. It follows that I'm not persuaded Mr E has lost out as a result of NewDay's decision not to pursue the chargebacks further.

Mr E provided supporting evidence in his email to NewDay after the chargebacks had ended, including correspondence with the merchant confirming he was due a refund. There's nothing within this email to confirm what transactions were being referred to and there are inconsistencies with what the merchant stated was said in response to the chargebacks and the response NewDay received. Given Mr E said that he made prior bookings with the merchant, I think clear evidence to show a refund was agreed for the two transactions he asked NewDay to assist him in getting a refund on was key to demonstrating that the chargebacks had a good prospect of succeeding. As this information wasn't included, I'm not persuaded that NewDay ought to have done more.

I can appreciate Mr E's disappointment in finding out that the temporary credits had been reversed on his account and this resulted in the balance breaching the credit limit. In the screenshots of the online dispute process NewDay provided it included a declaration which included the wording 'I also understand that if any credit is made to my account it could be reversed if my claim fails.' It wasn't possible to submit the dispute online without acknowledging this statement. In my opinion, it was made clear to Mr E that the credits could be reversed, so I think NewDay did enough to notify Mr E of this.

Mr E has raised concerns that NewDay didn't respond to the email he sent with further evidence, after it decided not to pursue the chargebacks further. I can appreciate Mr E's disappointment with this, but given I don't think this evidence demonstrated that the chargebacks had a good prospect of succeeding, I don't think any further responses would have resulted in a different outcome, for the reasons I've explained. So I'm not persuaded that Mr E has lost out as a result of NewDay not responding until it issued its final response letter a few weeks later.

Overall, I'm not persuaded that NewDay had enough evidence to demonstrate that the chargebacks had a reasonable prospect of succeeding, or that it would have received further evidence from Mr E to demonstrate the chargebacks had a good prospect of succeeding, if it had decided to pursue the chargebacks further. As such I don't think Mr E has lost out as a result of NewDay deciding not to pursue the chargebacks further, as I don't think any further action from NewDay would've resulted in the requested refunds. It follows that I can't fairly ask NewDay to do anything more.

### Section 75

In certain circumstances, Mr E can make a like claim against NewDay for any breaches of contract or misrepresentations by the supplier of goods or services, when payment is made via credit card. This is through a Section 75 claim.

*In order to say that NewDay treated Mr E unfairly, I'd need to be satisfied that the necessary criteria had been met and if so, that a breach of contract or misrepresentation had been evidenced.*

*For there to be a successful claim under Section 75 there are certain criteria that also need to be satisfied. One of these is that there needs to be a valid agreement between the debtor, the creditor and the supplier, as set out within the CCA.*

*NewDay doesn't appear to have considered a Section 75 claim and even if it had I don't think it would've resulted in Mr E getting the refunds he requested. I say this because Mr E would have needed to provide evidence to prove he had a valid like claim against NewDay as he would against the supplier. For example he would've needed to provide an invoice, contract, or other evidence, setting out what was purchased, and from who, to not only enable NewDay to understand if the necessary criteria had been met, but also to understand what the contract entailed, to determine if it had been breached or if there was a misrepresentation.*

*However, Mr E has confirmed he was unable to supply further evidence at that time and he later told this service he was unable to provide it. The evidence he did provide didn't confirm what the contract was for, nor did it evidence a breach of contract or misrepresentation relating to the particular transactions in dispute. And for the same reasons I've given above, I don't think his correspondence with the supplier, and other attachments he sent NewDay at the time, would be enough to prove this.*

*So even if NewDay had considered a Section 75 claim and asked Mr E to provide supporting evidence, on balance I'm not persuaded he would have been able to provide enough evidence to NewDay to prove he had a valid claim. As such, I'm not persuaded it would have resulted in the requested refund. It follows that the position Mr E now finds himself in is no different and so I can't fairly ask NewDay to do anything more.*

*I appreciate that this outcome will likely come as a disappointment to Mr E, however for the reasons I've explained I'm not persuaded that NewDay has treated him unfairly. It's worth pointing out that asking NewDay to assist him in getting a refund was not his only option. Mr E can try to resolve the issue directly with the merchant, or take action against it, should he wish to."*

In response, Mr E didn't agree. He said he felt I had sided with NewDay, that I had taken NewDay's word over his, that he had provided evidence he was due a refund and that NewDay should have taken the chargeback further. NewDay has not provided a response.

As the deadline for a response has now passed, the complaint has been passed back 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 considered Mr E's response to my provisional decision but I've not seen anything to cause me to depart from the conclusions I reached. Whilst I appreciate his strength of feeling, I have thought very carefully about what would have happened had NewDay done more, including whether it ought to have asked Mr E for further evidence and whether it ought to have pursued the chargebacks further, before reaching my decision. I also asked Mr E to provide further evidence, before thinking about whether this would have impacted

the outcomes, had NewDay done more.

Mr E has explained that two documents he previously submitted were provided to him by the merchant and demonstrate that he was due a refund for the two transactions. I note a discrepancy with the transaction amount on these documents and Mr E's credit card statement. But regardless, if I were to accept that the evidence Mr E provided to NewDay demonstrated that the merchant said he was due a refund, that would still be in contrast to the response NewDay received from the merchant's bank. A plausible explanation has not been provided for the conflicting information in the merchant's response which did not confirm a refund was due, nor the conflicting description Mr E gave about the dispute. This would have been required to show NewDay the chargebacks had a good prospect of succeeding, given the chargeback rules state that '*A description of the cardholder's complaint in sufficient detail to enable all parties to understand the dispute*' must be provided.

As Mr E has said he had no further evidence to provide, I'm not persuaded that he would've been able to sufficiently show what the transactions were for to enable NewDay to understand what the disputes were about with certainty, which would have been essential in light of the conflicting information he had provided to NewDay about what the transactions were for. As such, I'm not persuaded that the chargebacks had a good prospect of succeeding, even if NewDay had done more and so it follows that I think the position Mr E finds himself in now is no different.

I appreciate that Mr E says he would have contacted the merchant to gather further evidence, and provided this to NewDay to support his dispute, but given he said he was unable to produce further evidence and considering the merchant's bank's response defended that a refund was due, I'm not persuaded that he would have been able to produce this, had NewDay requested any further evidence from him.

As such, I'm not persuaded that had NewDay done more, it would've resulted in the chargebacks being successful, or that there would have been grounds for a successful Section 75 claim. It follows that I can't fairly ask NewDay to do anything more. Mr E has the option of trying to resolve the issue directly with the merchant, or take action against it, should he wish to.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 9 February 2026.

Daniella Roberts  
**Ombudsman**