

complaint

Mr T complains NewDay Ltd, trading as Debenhams, will not refund a disputed transaction.

background

Mr T complained to NewDay in March 2018 about a transaction which had appeared on his credit card earlier that month. It was for just over £50 and Mr T said he neither made nor recognised it. The payment was made through an online payment system – P.

NewDay carried out the chargeback process for him – a procedure whereby it (NewDay) can challenge the merchant to whom the payment was made. The merchant responded with information showing that the item(s) purchased with that transaction was sent to Mr T's registered address.

Generally speaking, the chargeback procedure should allow Mr T the opportunity to respond to this evidence. It was sent to him – but Mr T said he never received it and so did not respond.

NewDay concluded that he had authorised the transaction and rejected his complaint.

Mr T then came to this service and our investigator did not think he could ask NewDay to do anymore. So, Mr T asked for an ombudsman's decision.

my findings

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

Having done so, I have come to a different conclusion than the investigator. I have explained my reasons for doing so to both Mr T and NewDay. I have not had a response from either with any further submissions.

I am pleased to see that NewDay carried out the chargeback procedure – there is no requirement for it do so but is considered to be good practice. Unfortunately, Mr T was not able to respond to the evidence presented because he said he didn't receive it. If it was sent to Mr T, I can't see that NewDay did anything wrong here. Although, I do make the point that whilst the postal address showed Mr T's address on the order, I have not seen any evidence that the items were ever delivered to his address.

However, the chargeback procedure is just one element of assessing the complaint. The relevant rules which govern banking relationships between the consumer and banks say that for transactions to be deemed to be authorised, the consumer must also *consent* to it being made.

I've read and listened to everything Mr T has had to say about this transaction, and based on that, I don't think he did consent – and so, I can't see how the payment was authorised.

In the circumstances, I think NewDay should refund the amount of the disputed transaction and pay Mr T compensation of £100 for the distress and inconvenience he has been caused.

my final decision

My final decision is that I uphold this complaint. NewDay Ltd should refund the amount of the disputed transaction and pay Mr T £100 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 17 February 2020.

Shazia Ahmed
ombudsman