

## **complaint**

Mrs and Mr C complain that NewDay Ltd failed to carry out the chargeback process when flights they booked through an agent were debited twice from their credit card.

## **background**

When Mrs and Mr C received their credit card statement on 24 August 2015 and saw they had been incorrectly charged twice for the flights they had booked earlier that month. On 25 August 2015, they contacted NewDay and explained what had happened. They say NewDay told them to speak to the agent about it and took no further action.

Mr and Mrs C made repeated attempts to contact the agent but have not been able to recover the money. In January 2016 they sought assistance from a charity who spoke to NewDay on their behalf. NewDay said it was then out of time to request a chargeback.

The adjudicator concluded that NewDay had not acted reasonably when it didn't raise a chargeback within the time limits. He said NewDay should refund the duplicate transactions and any interest that was applied and pay £100 compensation.

NewDay disagreed. It said in its opinion a chargeback would not have been successful as it would have requested this from the merchant who sold the flight, but the error was made by the agent.

## **my findings**

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

There is no dispute that Mrs and Mr C contacted NewDay the day after they realised the payment for the flights had been incorrectly duplicated. I am satisfied they raised the complaint promptly when they became aware of it.

NewDay has provided a copy of its system notes which contain details of the phone call on 25 August 2015. I am not satisfied that NewDay told Mrs and Mr C there were time limits involved in chargeback requests. I am not satisfied NewDay asked for further information or provided any practical assistance to Mrs and Mr C. I am not satisfied it told them whether to approach the agent or the merchant who sold the flight.

Mrs and Mr C have provided detailed information which has satisfied me that they made every effort to contact the agent and then the merchant. As they had not been told there were time limits involved in a chargeback request, they did not know they had to notify NewDay of the results of their efforts within a certain time. There is confusion over whether or not NewDay received the registered delivery letter, but in any event, the business says it only became aware of the unresolved dispute after the time limits for a charge back request had expired.

I am satisfied that if Mrs and Mr C had known that time was running out, they would not have left contact with NewDay to one unanswered registered letter.

I appreciate that NewDay says in its opinion a chargeback request would not have succeeded. I however, am not satisfied that the chargeback request would have failed for

the reasons provided by NewDay. Whoever made the error, the bank statement shows that the company who supplied the flights received duplicate payments for the flight of £513.96. In addition the agent received duplicate commission of £20.42. Chargeback requests can succeed in such cases and I am satisfied it would not have been reasonable for NewDay to refuse to make such requests of both companies.

I am not satisfied that NewDay acted reasonably in the phone call in August 2015. I am satisfied on the balance of probabilities that it is likely a chargeback request would have succeeded and Mrs and Mr C would have received the full refunds they sought and would not have had to pay any interest charged by NewDay on the disputed sum. I agree with the adjudicator that £100 compensation is reasonable for the upset this mistake caused.

It is not clear from the information provided whether or not any adverse notes have been left on Mrs and Mr C's credit file, but I am satisfied it is fair that any such information should be removed.

### **my final decision**

My final decision is that I uphold this decision and order NewDay to pay:-

- £513.96 compensation for the duplicate payment for the flights,
- £20.42 for the duplicate payment to the agents and
- £100 compensation.

That is a total payment of £634.38.

I also order NewDay to refund any interest charged on the disputed sum and remove any notes on their credit file in relation to it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs and Mr C to accept or reject my decision before 29 July 2016.

Charlotte Holland  
**ombudsman**