

complaint

Ms H is unhappy that Vanquis Bank Limited was unable to refund a disputed purchase.

background

Ms H paid £49.99 for some photographs at an event in January 2018. The disk drive she received was faulty. So she returned it by recorded delivery for a refund. But the merchant said it'd never received it.

Ms H spoke to her credit card company and it looked into the matter. She sent Vanquis the proof of postage. And it removed the £49.99 charge from her account. After six months she destroyed all her paperwork. But the charge had now been reapplied to her account. Ms H wants it removing.

Vanquis said Ms H had contacted it about the disputed transaction. So it'd credited her account on 5 March 2018 while it referred the dispute to the retailer. The retailer said it hadn't received the returned goods. It seemed Ms H had sent them to the place where the event had taken place. Not to the seller. So Vanquis said it couldn't proceed with the chargeback. And it'd taken the money back from Ms H's account.

Ms H wasn't satisfied with Vanquis' response. So she contacted our service and our adjudicator looked into the matter. She explained Vanquis had reversed the transaction after Ms H had requested a chargeback. But it wasn't a guaranteed outcome. And after considering the merchant's response the chargeback had been rejected. So she couldn't ask Vanquis to do anything more.

Ms H didn't agree. She doesn't want to pay for something she doesn't have. So she's asked for an ombudsman's final 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.

I can understand how upsetting this must've been for Ms H. But I'm afraid I've reached the same conclusions as our adjudicator and for the same reasons.

It's important to realise that chargebacks are decided on the card scheme's rules. It's not for Vanquis – or me – to decide whether Ms H or the seller has the stronger argument.

Vanquis' role is to raise the appropriate chargeback and consider whether any defence complies with the relevant chargeback rules. From what I've seen, that's what Vanquis has done. The merchant responded with a valid defence. So Vanquis didn't feel it could take the matter forward.

I sympathise with Ms H's situation but I can only look at Vanquis' actions. When a chargeback is raised there is no guarantee it will be successful. The chargeback needs to be defended successfully by the seller – which in this case it was.

When Vanquis wrote to Ms H in March 2018 it explained it had re-credited the amount to her account. But it said it would re-debit her account if the merchant was able to defend the chargeback. And unfortunately that's what happened.

From what I've seen the seller said the problem with the disk didn't mean she was unable to access the images. So it wasn't unsuitable or faulty. And for the chargeback to be valid Ms H would've needed to return the goods to the seller. But it seems she mailed the disk to the venue where the event took place. And it didn't have any connection with the seller. So the goods weren't properly returned.

I appreciate how disappointing this must be for Ms H. But I can't say Vanquis has done anything wrong. It tried to raise a chargeback on her behalf. But it wasn't successful. And the refund was taken back after the seller provided a valid defence. So I won't be asking Vanquis to do anything more.

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 Ms H to accept or reject my decision before 5 March 2019.

Andrew Mason
ombudsman