

complaint

Ms S complains that NewDay Ltd didn't help to get her money back from an organisation.

background

Ms S paid a little over £40 to become a member of an organisation. She changed her mind about that very quickly, and tried to cancel. But she didn't get the money back. The organisation didn't reply to her requests to cancel and refund her payment. So she asked NewDay to help her get the money back. And at first it paid her back the money. But she said that the next month she was charged again.

NewDay said that it had credited Ms S with the disputed amount. That's a normal part of processing a chargeback request. Then it had submitted Ms S's chargeback. But the organisation that Ms S had paid didn't want to give the money back. It said it wanted to defend the case. So NewDay wrote to Ms S to ask her if she wanted to go ahead with the dispute. It said that if she did, it would like her to send it the relevant documents.

Ms S has told us she didn't get that letter. And she says that NewDay was asking for documents that it already had. But NewDay said that she would have to confirm that she wanted to continue to contest the payment, and send the same documents in again, before it could continue trying to get this money back for her. It said that it wrote to her on 27 February asking for this. But it didn't receive any response, so it closed her case, and it took back the money it had credited her account with on 26 March.

NewDay said that the timeframe for a response is part of the rules of the chargeback scheme. Those are set by the card scheme provider, whose symbol is on Ms S's card. NewDay has no control over that. It said that her chargeback request was out of time by the time she got in touch with NewDay to complain, and it couldn't do any more to help.

Our adjudicator didn't uphold this complaint. She said that NewDay hadn't done anything wrong. Our adjudicator said that she thought that NewDay had written to Ms S to get more information, this letter was sent on 27 February, and it went to the right address. It wasn't NewDay's fault if that letter didn't arrive. NewDay only closed Ms S's complaint when it didn't receive any reply from her. Our adjudicator didn't think that NewDay had to do any more.

Ms S said she wanted NewDay to get the money she'd paid back. And she'd done everything that NewDay asked. Then, allegedly, it had written to her again, just in case she had changed her mind. She didn't get that letter. She said that because NewDay said a letter had been issued, that didn't mean it was sent. She didn't think that there was any purpose to that second letter. And she repeated that she'd got nothing for the money she had paid.

Ms S and our adjudicator didn't agree, so the case was passed to me for a 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've reached the same conclusion on this complaint as our adjudicator.

When Ms S asked NewDay to process a chargeback request for her, it did so. And it put a credit for the disputed amount back in her account. That's a normal part of the chargeback process. That money didn't come from the organisation Ms S had paid, it was from NewDay.

NewDay then asked that organisation to pay back the money it had charged Ms S. But it said no. It said that Ms S hadn't shown that she'd tried to cancel.

NewDay wrote to Ms S then. It didn't do that just in case she'd changed her mind. It did that because it needed her to confirm that she wanted to go ahead with the chargeback request. And I think it also needed to give her a chance to submit more details about the dispute.

I know that Ms S doesn't believe that NewDay wrote to her then. But I've seen a copy of the letter that NewDay sent. And it is usual for a credit card provider processing a chargeback request to write at this point. So I think that it's more likely than not that NewDay did write to Ms S. It used the right address. So I don't think it's NewDay's fault if that letter didn't arrive.

Ms S also says NewDay already had all of the information it needed. But NewDay did need her to confirm that she wanted to go ahead at this point. And, perhaps because she didn't receive NewDay's letter, she didn't do that. So I don't think that NewDay did anything wrong when it closed this chargeback request, and took back the credit that it had paid to Ms S.

The rules about chargeback requests aren't set by NewDay. They are set by the card scheme provider, whose symbol is on Ms S's card. NewDay has to follow those rules, and they are complicated, with a series of strict requirements and time limits.

I wanted to know if there was anything else that NewDay could've done to help Ms S. So I've asked NewDay a series of detailed questions about this case, about the time limits and rules involved, and about what it knew when. And I'm satisfied that there wasn't anything that NewDay could do to help Ms S with this request by the time she got in touch with it. I'm also satisfied that there isn't any way that NewDay can reopen Ms S's chargeback request now.

I think that NewDay has done everything I would expect it to do. I don't think it's done anything wrong. So, although I know that Ms S will be disappointed, I don't think that her complaint should be upheld.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 14 January 2019.

Esther Absalom-Gough
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