

The complaint

Miss E complains that Contis Financial Services Limited trading as Solaris didn't do enough to help her when she told it about a dispute she had with a merchant over services paid for using her Solaris debit card.

What happened

Miss E purchased flights from a merchant airline I'll call "X" using her Solaris debit card in July 2023. Miss E purchased flights for herself and another person at a cost of £959.56. She was due to return home using the tickets in question after she had returned from an excursion. However, the excursion was delayed due to adverse weather conditions and as such they missed the flight.

Miss E said that whilst on the excursion she tried to contact X to cancel her flight and left several messages to be called back but didn't hear back. Unable to secure a refund from X, she contacted Solaris to request a chargeback.

Miss E argues Solaris' handling of the chargeback was poor. She says she contacted Solaris on a number of occasions and had a number of challenges trying to get updates and progress the matter with it. Miss E has said this lasted several months and has also referred to a specific telephone conversation between herself and a representative at Solaris who she claimed was rude to her and called her "*disgusting*".

Solaris considered her complaint and upheld it in part. It argued that Miss E didn't provide all the required information and as such the chargeback couldn't be raised. It also disagreed with Miss E's recollections of the call arguing that Miss E made some unacceptable comments when the advisor was only trying to help her. It did however agree that there were unnecessary delays in the handling of her chargeback which it caused. So it offered her £150 compensation in relation to this.

Miss E was unhappy with this response and referred her complaint to our service. One of our investigators considered the complaint. The investigator upheld the complaint in part. She thought that although Solaris hadn't asked for the correct information to support the chargeback, from everything Miss E has said, she wouldn't have been able to provide the relevant information. As such her chargeback was unlikely to be successful even if Solaris had done everything it should have. She did think that Solaris should increase its compensation offer to £300 to recognise the distress and inconvenience it caused Miss E during the course of this matter. Solaris didn't agree to the increase in compensation and so the complaint has been passed to me to consider.

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.

Having done so I uphold this complaint in part and agree that Solaris should increase the compensation offered to £300. I'll explain why below.

A chargeback is the process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme rules. It allows customers to ask for a transaction to be refunded in a number of situations, some common examples being where goods or services aren't provided, where goods or services aren't as described or where a refund hasn't been processed.

There's no automatic right to a chargeback; the chargeback process doesn't give consumers legal rights; and chargeback is not a guaranteed method of getting a refund because chargebacks may be defended by the merchant. This is because the rules, set out by the card scheme lay down strict conditions which must be satisfied for a chargeback claim to succeed. If a financial business thinks that a claim won't be successful, it doesn't have to raise a chargeback. But where there's a reasonable chance of success, I'd expect a financial business to raise a chargeback.

Miss E has said that when her excursion was delayed, she and her partner contacted X to cancel the flight. She said she left messages but that there were challenges getting access to Wi-Fi on the excursion. Miss E has also said a third party (connected to the excursion) submitted the required refund request form on her behalf to X. So from what Miss E has said, I think she was expecting a refund for the flight and so the chargeback which most fits these circumstances is "*Credit Not Processed*" (the credit in this instance being the refund).

In order to raise this chargeback Miss E would have needed to have provided a copy of the credit transaction receipt, a copy of the voided transaction receipt or some other record which proved the credit was due to her. Miss E has not been able to provide any documentation of this nature. And whilst Miss E has said the refund form was submitted on her behalf, she hasn't provided any documentation in relation to this either. So I think even if Solaris had raised this chargeback, it was unlikely to succeed. I've considered whether "*cancelled merchandise/ services*" could have been a potential chargeback reason, but Miss E can't evidence that she cancelled the flights. (And there is a reference on her booking confirmation to suggest the flights are non-refundable). So I can't see the chargeback had any real prospect of success and I don't think Miss E has lost out directly from Solaris' failure to raise the chargeback.

However, I still don't think Solaris has handled this claim well. It's clear from the information it has provided that Solaris didn't fully understand what had happened or why Miss E was raising the chargeback. I also can't see it requested the relevant information detailed above. As I've explained above, I don't think Miss E was able to provide the required information, so I don't think she's directly lost out as a result of Solaris' mismanagement of the chargeback. However, I think this was likely to have caused her a great deal of distress and inconvenience. Particularly as Solaris has said there were several months where no action was taken on her claim. I can also see Miss E chased a response/ update on numerous occasions with little success.

In addition, I have reviewed the call between Miss E and Solaris which has been commented on by both parties. I appreciate that the reason for this call was for Miss E to chase a response to her complaint, but I think her conversations with Solaris at this time are all interlinked with her outstanding chargeback claim and the outcome of this. So I think I can comment on it. It's clear both parties became distressed and Miss E made comments which weren't acceptable. In response to this the adviser said her comments were "*disgusting*". Whilst I appreciate this would have been distressing for the advisor, I have noted the advisor was clearly quite angry/upset in his response and I agree with the investigator that this served to escalate matters further. Miss E had already reached a point where she was very upset by the whole matter and that was evident throughout the call. (I have noted that during the call Miss E was then passed to a manager who then took steps to provide support to her).

Having considered all of the above I think increasing the level of compensation to £300 is fair in the circumstances of this case. This is predominantly to reflect the errors in the handling of the chargeback, the unnecessary delays and lack of updates for Miss E. In addition, I do think Miss E's distress could've also been handled differently by Solaris during the above call.

Putting things right

Solaris should pay Miss E £300 total in compensation to reflect the trouble and upset this matter caused her. I make no other awards.

My final decision

For the reasons explained above I uphold this complaint against Contis Financial Services Limited trading as Solaris in part and require it to put things right in the way I've described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 24 December 2024.

Claire Lisle
Ombudsman