

## **The complaint**

Mr K complains about the way The Royal Bank of Scotland Plc (“RBS”) treated him, when he raised several chargeback claims with them.

## **What happened**

In the summer of 2022, Mr K complained to RBS about several debit card payments that had left his account. All of the payments Mr K had complained about, were paid to retailers offering similar services. To make it easier I’ll call these retailers “R”.

After RBS spoke to Mr K, they said they couldn’t start a chargeback claim for the card payments made to R. They said Mr K hadn’t shown he had cancelled all of his agreements with R and this was needed under the chargeback scheme rules they have to follow.

But, as a gesture of goodwill, RBS refunded a total of £357.92 to his current account. RBS say this refund covers any card payments made by Mr K to R, over thirteen months. They also say this was the most time that a chargeback claim would have refunded, if they had been able to start one.

RBS also helped Mr K speak to a team who could help, if he needed to cancel any subscriptions still with R.

Mr K didn’t accept RBS’s response and brought his complaint to us. He said that because of his personal circumstances, his very poor memory and his health, that the time limits within the chargeback rules, don’t apply to him.

One of our investigators looked into Mr K’s case and found that RBS had treated him fairly. She said Mr K couldn’t prove he’d cancelled the subscriptions with R, so RBS didn’t have to start a chargeback request.

The investigator also said RBS’s refund of all the payments made to R over a thirteen month period, as a gesture of goodwill was fair. The investigator said RBS had offered help, by giving Mr K a direct contact to help cancel his subscriptions with R.

Mr K didn’t agree with this and said over forty different retailers had taken money from his account over the last five years. And because of his circumstances, RBS should refund every payment.

The investigator didn’t change her outcome, so Mr K’s complaint has been passed to me to make a final decision.

## **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.

Mr K has told us about his very difficult personal circumstances. I’m aware of the difficulties and the worry the circumstances Mr K has described must cause. Particularly when trying to

manage his bank account. And I'd like Mr K to know that I've very carefully considered how his circumstances affect his day to day life.

Mr K's debit card from his current account with RBS was used to make payments to R. RBS is a member of Visa which provides card services. And Visa has rules which includes giving RBS a way for card transactions to be disputed with retailers through the chargeback process.

Sometimes, when a cardholder has a dispute about certain transactions, like Mr K does, RBS, as the card issuer, can try to go through the chargeback process. This isn't a right for customers and banks don't have to raise a chargeback. But it's good for banks to raise a chargeback when they think they will be able to get money back for their customer.

In Mr K's case, he says he contacted RBS in August 2022 and told them about his poor memory. He said he couldn't remember if he had agreed to any payments to R, but wanted them to be refunded. I can also see from RBS' notes that Mr K hadn't been able to show if he had tried to cancel any subscriptions with R.

I think this left RBS unsure if Mr K had agreed any payments to R. They also had nothing to show if Mr K had tried to sort things out with R first. From looking at what happened, it seems RBS didn't think they should raise a chargeback dispute.

Part of the chargeback process is for a customer to give a reason for a disputed payment. Normally, this would be where a customer pays for goods they haven't received, or where an unauthorised payment is taken from their account. I agree with RBS, that it was unlikely any chargeback request would win. So, I don't think RBS treated Mr K unfairly by not raising chargebacks about payments to R.

However, as a gesture of goodwill, RBS refunded all the payments made to R from November 2021, to the date of their final response letter in October 2022. The amount refunded to Mr K was £357.92, covering 18 separate payments to R and included a payment of interest.

RBS have also placed a stop on Mr K's account, so any more payments requested by R shouldn't leave his account. I think this was helpful for Mr K. But it seems that he would need to cancel any subscriptions with R, to make sure no more payments are taken from his account.

Mr K has told us that his personal circumstances could prevent him from contacting R, to cancel the subscriptions. But, I can see from RBS' records that they have offered to help him to do this.

In August 2022, RBS wrote to Mr K and said that they are able to complete dispute forms for him, if more payments are taken from his account. RBS have also made a record of Mr K's personal circumstances and have asked him about the best way they can help him manage his account.

Overall, I think RBS have tried to help Mr K with his disputes with R, by refunding payments as a gesture of goodwill, where they didn't have to start a chargeback claim. I also think RBS have offered Mr K more help, if he needs to dispute payments in the future. In all the circumstances, I think RBS have treated Mr K fairly.

Visa has a set of chargeback rules. These rules say a claim about cancelled services must be raised to RBS no later than 120 days after a payment is made. Or, if the services are to be provided at a later date, the claim shouldn't exceed 540 days from when a payment is

made.

I know Mr K says RBS should automatically refund every payment to R over the last five years, because of his personal circumstances. This is longer than the chargeback rules allow. So, I don't think RBS' responsibility to Mr K goes further than the chargeback rules set out by Visa.

I accept Mr K's overall point that RBS should make adjustments to help him in light of his needs. Having considered everything though, I think RBS have given Mr K a way to raise chargeback claims, in a way he says will help him. So, I don't think RBS need to do anything else to resolve this complaint.

### **My final decision**

My final decision is that I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 20 November 2023.

Sam Wedderburn  
**Ombudsman**