

## **The complaint**

Mrs F complains that Barclay Bank Plc failed to properly raise a chargeback for her, and it has resulted in her suffering financial loss.

## **What happened**

In June 2020 Mrs F bought 18 pairs of trainers from a retailer in two separate orders of nine pairs each on the same day. She made two debit card payments of £540 each for the orders. Delivery was expected a few days later.

Two days later the courier delivered seven of the pairs of trainers. Mrs F tells us that the courier told her that there was a second parcel for her, but it had to be returned to the courier's warehouse for a new barcode. He said he couldn't scan it on his scanner because it had the same barcode as the first parcel, but it would be delivered the following day.

The next day it didn't arrive, and Mrs F contacted the retailer to say she'd only received part of her order and explained that the delivery driver had advised her that he had sent the second parcel back. The first parcel contained only seven pairs of the 18 pairs of trainers.

Mrs F says the second parcel was never delivered. She continued to contact the retailer about this throughout June and July, providing details of the order, what was missing, and the delivery driver's explanation of what had happened. By the end of July, Mrs F didn't feel she was getting anywhere, and she was substantially out of pocket, so she raised this as a chargeback with Barclays.

Mrs F advised Barclays that she had only received part of her order and gave them the details of her order, and the complaint against the retailer.

In July 2020 Barclays raised a chargeback with the retailer's bank and they refunded two payments of £540 to Mrs F pending the outcome.

In September 2020 this dispute was resolved as "cardholder liable" after investigation as the retailer responded and advised that they had refunded £120 for the missing items. Barclays advised that Mrs F would need to take the issue up with the retailer and that they would re-debit in 14 days. Mrs F did not receive this letter.

In October 2020 whilst she was abroad, Mrs F was re-debited the full £1080 by Barclays which put her in overdraft whilst she was out of the country.

Mrs F complained that this she hadn't been asked for any further details to support her case, nor had she been advised on the outcome. She disagreed with the outcome.

Barclays did uphold a customer service issue on her complaint, accepting that she hadn't received notification of the outcome and made a payment of £50 to Mrs F in respect of the poor service.

Mrs F was unhappy with this. Barclays looked again at it, and in February 2021 Barclays issued a further final response after looking into the complaint further. They accepted that

they had made a mistake when raising the chargeback and should have raised it as a partial amount dispute, not a full amount. As a consequence, when it was defended, they were unable to challenge it. As compensation of this failing, they credited Mrs F with a further £230 compensation for the inconvenience.

One of our investigators looked into Mrs F's complaint. He thought that Barclays had acted in a fair and reasonable manner.

Mrs F disagreed with our investigator's view and the case came to me to review.

I issued a provisional decision on the complaint. My provisional findings were as follows:  
*I've considered whether Barclays have followed the process for dealing with the chargeback properly and whether if this hadn't gone wrong, would it have been likely that the chargeback decision would have gone in Mrs F's favour.*

*Mrs F has provided me with a very detailed account of her communications with the retailer and with Barclays, and also with screenshots of messages between her and the retailer, and e mails between her, the retailer and Barclays.*

*From these communications I can see that Mrs F made it clear to the retailer from the outset exactly how many pairs and which trainers hadn't been delivered. She reported it straight away, and on 28 June 2020 she completed missing parcel forms which the retailer gave to her. The retailer confirmed in an email "for order XXXX23860 based on the following couriers tracking number XXXX582810385677, this has been returned to sender. Therefore, a refund should be resolved once the return is processed at our main warehouse. As for order XXXX123584 I will shortly send you a missing parcel order form via e mail. I advise you to fill it up and provide a picture/scan of it."*

*They later confirmed a second tracking number of XXXX582810385875 for order XXXX123584.*

*Mrs F was told she would be updated in 10 days. She checked the tracking which showed that the parcel XXXX582810385677 had been received back with the retailer, but when she contacted the retailer, they said they hadn't received it yet and they would contact the courier.*

*Mrs F was then told she would need to wait a further 28 days for the outcome of the missing parcel investigation because it was a high value transaction.*

*It seems to me from these exchanges that there is some independent evidence that the parcel for order number XXXX23860 was sent back to the retailer. We don't know if it was ever received, but I think it's fair to say from these messages that it wasn't delivered to Mrs F and it was sent back.*

*According to the retailer's evidence, a partial refund of £120 was made on 29 July 2020 for two pairs of trainers on order XXXX23584 - which was the other order number – so there seems to have been some acceptance on the part of the retailer that at least some of this order was not fulfilled.*

*However, in the meantime because she was at a loss of £660, Mrs F had become frustrated, and asked Barclays to raise a chargeback for the missing items.*

*I can see from the information provided by Barclays that in August they wrote to Mrs F and advised that the charge back had been defended by the retailer's bank, that they had rejected it, and that it may need to go to Visa for a decision. They initiated pre arbitration, but the retailer's bank rejected it saying that the retailer stated that the goods had been received and a partial refund had been made for goods not received. Barclays have said in their first*

*final response they sent a letter to Mrs F with this evidence to review, but she says it wasn't received.*

*The evidence provided by the retailer, which I have seen, relates only to order number XXXX23584, and says that a refund of £120 has been made for two of the pairs of trainers on that order. There is nothing in the evidence about order number XXXX23860, which has previously been evidence to be on its way back to the retailer.*

*As Mrs F didn't see this evidence she was unable to challenge it or to confirm that there were still nine pairs of trainers outstanding on order XXXX23860.*

*On 19 September 2020 Barclays decided they were no longer able to dispute the transaction and they would re debit the payment in 14 days. There is nothing in the file to suggest Mrs F was ever notified of this.*

*It seems to me that this where things have gone wrong. If Barclays had correctly raised the chargeback as a partial refund for the items not received, the evidence presented by the retailer would have needed to relate specifically to those missing items. As it was, the retailer's bank simply presented evidence of some delivery and some refund on one of the order numbers and this was accepted. No details of the outcome of the missing parcel investigation was ever looked at, which was really fundamental to the issue.*

*On 5 October 2020 whilst abroad, Mrs F noticed her account was overdrawn, and that it was caused by the debit of the £1080. She says she was left overdrawn in a foreign country with only her debit card, which left her in financial difficulties. She was also unable to raise this issue again as a chargeback with the correct information.*

*On 21 October Mrs F again contacted the retailer about what had happened to the missing parcel investigation, and she received the following response "I have checked your order details and I can see that a cardholder dispute has been opened. Once a cardholder dispute has been opened by the account holder, you will have to liaise directly with your bank, as your bank will conduct the investigation and will provide you with an outcome. Their decision will be final and this will not be overturned". In a further e mail, they added "We was processing the missing parcel investigation but you then requested for your bank to take over. Their decision will be final".*

*Mrs F was now in a position where the retailer was no longer willing to look into the matter and Barclays failure to correctly raise the chargeback had resulted in it being declined.*

*Barclays have accepted that they should have raised the chargeback as a partial chargeback, and their failure to do so meant the chargeback was deemed invalid once the evidence of the partial refund was presented. They have awarded £230 compensation for distress and inconvenience in respect of this failing, but Mrs F has lost £540 as a result of the missing order.*

*So, I'm satisfied that Barclays failing to raise the chargeback correctly and to allow Mrs F the opportunity to view and challenge the evidence from the retailer is an error on their part. I've then thought about whether if Barclays had correctly raised the chargeback, and asked Mrs F for her comments and evidence when the retailer's evidence was sent, would the outcome have been any different.*

*I consider that it is likely that it would have been. I think that the evidence that I've seen and detailed above is sufficient to show that the parcel for the order number XXXX2380 was on its way back to the retailer, and it is likely that Mrs F didn't receive it. This should have been enough for the case to have been taken to arbitration and be decided in her favour.*

*In view of this, and the retailer's refusal to look into it any further following the banks' involvement, I am minded to direct that Barclays should reimburse Mrs F the £540 in respect of the nine pairs of missing trainers. I don't propose to interfere with the award already made for distress and inconvenience as that is broadly in line with what we would recommend.*

### **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.

I sent Mrs F and Barclays a copy of my provisional decision.

Neither have responded, and so I'm making my final decision for the reasons I've set out above

### **Putting things right**

To put things right, Barclays should pay Mrs F

- £540 as reimbursement for the chargeback
- 8% simple interest on that sum from the date that the chargeback process was terminated until the date of settlement.

### **My final decision**

My final decision is that I am upholding Mrs F's complaint, and I direct Barclays Bank UK plc to put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 24 March 2022.

Joanne Ward  
**Ombudsman**