

## **The complaint**

Mrs H is unhappy how Barclays Bank UK PLC have handled her request for help to recover money following the cancellation of holidays she had booked.

Mrs H has been represented by her son throughout this complaint, but for ease of reading I'll refer only to Mrs H within this decision.

## **What happened**

Mrs H used her Barclays debit card to pay for three separate holidays in 2019 and 2020. All three trips were arranged through an agent, who in turn arranged them with the travel provider, who I'll refer to as S. In mid-June 2019, Mrs H paid £260 for her and her husband – this trip was scheduled for 15 June 2020. In mid-September 2019 Mrs H paid £130 for a trip scheduled for 20 September 2020, and in early January 2020 Mrs H paid £348 for a trip scheduled for 20 April 2020.

Mrs H has said that she found out S had gone into liquidation in February 2020 and, at that point, she contacted them to try and get a refund for the payments she had made. As she didn't hear back from them for several months, Mrs H contacted Barclays in October 2020 asking for help to recover the money.

Barclays explained to Mrs H that two of the chargeback claims had been raised out of time, in accordance with the chargeback scheme rules. Therefore, Barclays said they were unable to help to recover those payments. They did accept that the payment made in September 2019 for the trip scheduled in September 2020 had been raised in time by Mrs H, and they temporarily applied £130 back to her account while the chargeback was considered further.

In mid-November 2020 Barclays wrote to Mrs H to ask for some additional information to help them pursue the chargeback that was in time. It seems that Mrs H didn't respond to this or provide the information required, so Barclays were unable to take the chargeback claim any further. They informed Mrs H of this towards the end of December 2020, and re-debited £130 from her account in early January 2021.

Mrs H was unhappy with this and brought her complaint to our service. While our investigator was looking into it, Barclays came back to our service offering to make the payment of £130 to Mrs H as a gesture of goodwill. Our investigator felt that Barclays had declined the first two chargeback claims fairly in line with the chargeback scheme rules, and that their offer to refund Mrs H £130 as a gesture of goodwill for the third chargeback claim was reasonable.

Mrs H didn't accept this. She said she wanted a full refund.

As Mrs H hasn't accepted, it's been passed to me to decide.

## **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.

While Mrs H has been left out of pocket through no fault of her own, what I'm deciding here is a complaint about Barclays and I need to consider if they did something wrong. And, for the same reasons as our investigator, I don't think they did. I'll explain why.

When a person makes a payment for goods or services using a debit card, their bank may be able to help them in limited circumstances if they haven't received what they paid for. The bank can raise a dispute, known as a chargeback, with the bank which accepted the card payment.

A chargeback isn't something a customer can demand that their bank attempt, but when faced with a person requesting assistance with a disputed debit card transaction I would expect the bank to consider attempting a chargeback, and to do so if there was a reasonable chance of it succeeding.

As I've suggested above, chargebacks are not always successful. There are rules which must be followed for chargebacks, and these are set by the card networks. In Mrs H's case, that is Visa. Chargebacks can be defended by the recipient bank if they think the rules haven't been followed. One aspect of the rules concerns the window of time, following a card transaction, in which a chargeback must be attempted.

The rules which applied at the time of Mrs H's transactions said that a chargeback needed to be attempted within 120 days of the date the service in question was meant to have been provided by, so long as this was no more than 540 days from the date of the debit card transaction. Visa issued guidance during the pandemic to say that these limits would not be extended.

In Mrs H's case, two of her trips were scheduled for 20 April and 15 June 2020. So, the chargeback requests would need to have been raised by 18 August and 13 October 2020 respectively. Unfortunately, by the time Mrs H got in touch with Barclays on 20 October 2020 about these two transactions and to tell them about the problem, it was too late. Barclays were right to say that the final chargeback for the trip scheduled for September 2020 was raised in time. I don't know why Mrs H didn't respond to Barclays' request for additional information to enable them to take that chargeback claim further – but from what I've seen I can understand why Barclays subsequently closed that chargeback claim and re-debited the money from Mrs H's account. They didn't have enough information at the time to take the chargeback further.

I understand why Mrs H may not have raised her concerns with Barclays before she did. She was attempting to get a refund from the travel provider herself. But Barclays must follow the rules set by the chargeback scheme owners, and I'm satisfied they have done in this case.

I know that Mrs H is frustrated with this situation and I sympathise with her. She is left out of pocket through no fault of her own. But my decision is only focussing on Barclays, and whether they acted unfairly towards Mrs H. And I don't think they have. I think that Barclays' offer to refund Mrs H £130 as a gesture of goodwill for the chargeback that was originally raised in time is a fair one, and I'm asking them to pay that to Mrs H to resolve the complaint.

## **My final decision**

Barclays Bank UK PLC have offered Mrs H £130 to settle this complaint. I think that is fair in

the circumstances.

So, my decision is that Barclays Bank UK PLC must pay Mrs H £130.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 10 November 2022.

Kevin Parmenter  
**Ombudsman**