

The complaint

Mr A has complained about how Barclays Bank UK PLC dealt with his claim for money back in relation to a purchase he'd made using his debit card.

What happened

The circumstances of the complaint are well known to the parties so I'm not going to go over everything again in detail. But to summarise, Mr A purchased two tickets for around £200 for an event in October 2022 using his debit card through a ticket marketplace I'll call "S". Mr A says he arrived at the event but was refused entry because the tickets were purchased from an unofficial source at an inflated price. The venue said it was an illegal transaction and so it advised Mr A to contact his bank to try to reclaim the money. Mr A said he tried to contact S through phone and messaging, but it didn't respond, so he contacted Barclays to put in a claim.

Barclays looked into the dispute and raised a chargeback for Mr A for counterfeit merchandise. But this didn't succeed. S said it was a ticket marketplace to allow users to buy and sell tickets. It said sales were final and non-refundable. It also said the chargeback was invalid because there was no third-party expert identification the merchandise was counterfeit. It also said Mr A hadn't shown he'd tried to resolve things with S, in line with the terms and conditions.

On 8 December 2022 Barclays contacted Mr A asking if he wanted to pursue the claim and for an explanation why. It said he needed to respond within 7 days, or the claim would be closed, and it wouldn't be able to help further. Barclays said it closed the dispute because it didn't receive a response. It wasn't until January 2023 that I think Mr A responded explaining again why he wanted it to raise a chargeback. Barclays said Mr A complained the chargeback wasn't successful in March 2023. He also referred his complaint to our service to consider.

Our investigator said S's terms and conditions set out that if the tickets were invalid the customer must report the issue within 7 days after receiving the tickets or up to 48 hours after the event, otherwise the tickets weren't covered by its guarantee. Our investigator said Mr A hadn't shown he tried to resolve things with S. He also said Mr A hadn't responded to Barclays' request on 8 December 2022 within the stipulated time. Overall, our investigator didn't think Barclays' response to the claim was unfair.

Mr A didn't agree. He said S didn't respond to him when he complained he couldn't use the tickets. He said he was sold a fraudulent ticket, and S shouldn't have sold it. He said Barclays didn't investigate his complaint thoroughly or consider the correct dispute conditions. Mr A says he followed S's instructions on invalid tickets. But he couldn't find the email he sent S.

As things weren't resolved, the complaint has 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.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr A and Barclays that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I first want to say I'm very sorry to hear Mr A wasn't allowed in the venue. I can't imagine how he must have felt.

What I need to consider is whether Barclays – as a provider of financial services – has acted fairly and reasonably in the way it handled Mr A's request for getting money back. It's important to note Barclays isn't the supplier. I've gone on to think about the specific card protections that are available. In situations like this, Barclays can consider raising a chargeback.

The chargeback process provides a way for a card issuer to ask for a payment to be refunded in certain circumstances. The chargeback process is subject to rules made by the relevant card scheme. It's not part of the law, or a guaranteed way of getting money back.

While it's good practice for a card issuer to attempt to chargeback where certain conditions are met and there's some prospect of success, there are grounds or dispute conditions set by the relevant card scheme that need to be considered. If these are not met, a chargeback is unlikely to succeed. And something going wrong with a merchant won't always lead to a successful claim.

I've thought about the dispute conditions that might apply in this scenario. Barclays raised the dispute for counterfeit merchandise. Given Mr A said the tickets were invalid, I can understand why it may have chosen this dispute condition. There might've also been an argument to say a chargeback could have been raised for an issue relating to the service that S provided when acting as a marketplace for buyers and sellers of tickets.

The problem in this case, from what I can see, is that S isn't the supplier of the tickets. It doesn't assume liability for the supplier, it's a marketplace. And Mr A hasn't shown us he followed S's terms and conditions in relation to what he was required to do where the tickets were alleged to be invalid. So I don't think Barclays would've had a reasonable prospect of success pursuing the chargeback further because S would have a valid defence to say it didn't assume liability for the supplier and Mr A hadn't shown he contacted it within 48 hours. This might've been an important step to take for S to be able to investigate and reimburse Mr A under its guarantee.

Moreover, while I've seen Mr A wasn't allowed entry to the venue, the note from the venue he received doesn't say the tickets were counterfeit, it says the ticket was from an unofficial source at an inflated price. I agree Barclays' letter from December 2022 for what was required from Mr A could've been clearer, and more focussed on S's response. And I appreciate Mr A said he could've asked for more information from the venue, but I don't think that would counter S's argument it was a marketplace, and that Mr A hadn't shown he'd followed the terms and conditions in relation to the guarantee it offered.

I'm also conscious there are strict time limits that apply when pursuing a chargeback, and Mr A didn't respond to Barclays within the time it stipulated. Given Mr A didn't respond within the stipulated time, and taking into account what I've set out above, I don't think it was unreasonable for Barclays not to pursue the chargeback further.

Therefore, while of course I have a lot of sympathy for Mr A, and while I'm not saying something hasn't gone wrong, I need to consider what Barclays can fairly held liable for taking into account the strict chargeback dispute conditions set by the relevant card scheme. Barclays did what I'd expect in trying to help Mr A by raising the chargeback in the first instance. But I don't find I have the grounds to say it should refund Mr A.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 March 2024.

Simon Wingfield
Ombudsman