

The complaint

Miss P complains about Barclays Bank UK PLC's handling of her chargeback claim.

What happened

Miss P has a credit card issued by Barclaycard.

Miss P used her credit card to make two payments – one for £9,200 and one for £5,000 – to a contractor who was supplying and installing windows and doors as part of a self-build project involving new properties. Miss P says there were delays during the project and that the windows and doors installed were defective. So, she contacted Barclaycard to raise a chargeback claim.

Barclaycard looked into Miss P's claim and said that a claim under section 75 of the Consumer Credit Act wasn't possible as the contract in question was for over £64,000. In other words, Barclaycard said that her claim was over the £30,000 limit that applies to section 75 claims. Barclaycard also said that the information Miss P had sent wasn't enough to raise a chargeback claim so there was nothing it could do.

Miss P complained about Barclaycard's handling of her claim. She said that she received lots of conflicting information and that Barclaycard didn't do a proper investigation. Miss P also complained that Barclaycard had re-applied the second payment to her account once the claim was over six months' old – she'd already paid the first one off by the time the problems arose. Miss P said that this was unfair as the delays were down to Barclaycard.

Barclaycard looked into Miss P's complaint and agreed that she had been given conflicting information and that there had been delays. Barclaycard offered Miss P £50 in compensation. Barclaycard didn't, however, agree that it had handled her claim incorrectly. Miss P was unhappy and complained to our service.

An investigator looked into Miss P's complaint and said that they didn't think Barclaycard had done anything wrong. Miss P disagreed and sent additional material to our investigator to support her complaint. Miss P didn't hear back and ultimately contacted us again and was told the investigator who had looked into her complaint had left our service. A new investigator looked into Miss P's complaint afresh and, having done so, concluded that Barclaycard hadn't done anything wrong. Miss P was disappointed and asked for her complaint to be referred to an ombudsman for a decision. Her complaint was passed to me.

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 can see that the payments Miss P made on her Barclaycard credit card were two payments that were part of a series of payments due to the contractor in this case. That contractor was supplying and installing windows and doors as part of a self-build project involving new properties. The contract as a whole was worth just over £64,000. I can also see that there were a number of problems during the project – initially with delays, then issues with the work and then issues with payments. And I can see that shortly before the project was completed Miss P complained about the doors that had been supplied and installed saying that they were faulty and had been fitted incorrectly. The supplier disagreed.

I can see that Miss P – having tried to resolve the issue with the supplier – contacted Barclaycard before the time limit to raise a chargeback had expired and not only explained why she wanted to raise a chargeback, but also sent Barclaycard lots of documentation including the correspondence with the supplier. More importantly, I can see that Barclaycard considered this information and having done so came to the conclusion that a chargeback didn't have a reasonable prospect of success. That's because Barclaycard thought that there was an argument Miss P was in breach of contract – as she'd withheld the final payment – because there was a dispute over whether or not the goods in question were faulty and because the goods hadn't been returned. I don't think that was unreasonable of Barclaycard.

Miss P has sent us a report from a third party to show that the windows and doors weren't installed properly and / or defective. But I can't see that she shared this with Barclaycard – possibly because the report in question was obtained much later. I can also see that the supplier asked Miss P to send it an independent third-party report evidencing the fact that the windows and doors weren't installed properly and / or defective. I've seen nothing to suggest that was done. That's the type of evidence Barclaycard would have needed in order to raise a successful claim.

In short, I agree with our investigator that Barclaycard didn't act unfairly when dealing with Miss P's chargeback claim. I can see that Barclaycard has accepted that Miss P had been given conflicting information and that there had been delays. But as it ultimately didn't uphold her claim I don't agree that Miss P has lost out as a result of Barclaycard re-applying the second payment to her account.

I can see that both parties agreed when Miss B originally submitted her claim that a section 75 claim wasn't an option. Miss P acknowledged that in her complaint form to us. I can also see that Miss P has recently said that a section 75 claim was / is an option because the amount paid for materials for the project as a whole was under £30,000. As our investigator has already explained, the limit to a section 75 claim is based on the overall price and I'm satisfied that in this case the overall price is over £30,000.

I appreciate that Miss P will be disappointed by what I've said. She had to wait a long time for an answer from Barclaycard and a long time for an answer from us. I can see too that claims she made relating to other payments on other credit cards held elsewhere were smoother. But I have to look at how Barclaycard handled her claim.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 2 March 2024.

Nicolas Atkinson
Ombudsman