

The complaint

Mr V complains about a decision taken by Barclays Bank UK PLC trading as Barclaycard ('Barclaycard') to refuse a refund request he made.

Mr V is being represented by his wife. To protect the anonymity of all the parties involved, I will refer to Mr V's wife as 'Mrs V'.

What happened

On 15 March 2023, Mrs V says she booked what she understood were three return flights for herself and two other passengers, Mr V not being one of them.

Mrs V says the total cost of these flights was £2,670 and this sum was paid as follows:

- £1,818.43 to a merchant I will call 'F' from Mr V's Barclaycard credit card ('credit card')
- £851.57 to a merchant I will call 'D' from Mrs V's current account

On 8 January 2024, Mr V made a claim for a refund from Barclaycard for £2,670. Mr V said Mrs V and the two other passengers, were only able to take the outbound flight not the return flight, no return flight having been booked by F or D.

Barclaycard raised a chargeback through F's bank. And whilst waiting for a response, Barclaycard credited Mr V's account with a temporary refund of £1,818.43. F defended the claim. It said the tickets booked through it, which was for an outbound flight only, were provided. F didn't know at that time whether the tickets had been used. However, it was able to confirm the outbound flight had departed as scheduled so was available for the booked passengers to use. Given all of this, F didn't think there was a valid chargeback. Barclaycard agreed and didn't progress Mr V's claim any further. And it reversed the refund payment it had made to Mr V's account.

Barclaycard said it didn't believe it was liable to Mr V under section 75 of the Consumer Credit Act 1974 ('section 75') due to there being no debtor-creditor-supplier ('DCS') agreement in place.

Unhappy with Barclaycard's declination of his refund claim and its decision not to uphold his complaint, Mr V referred matters to our service for investigation.

Our investigator came to the view that Barclaycard had done nothing wrong. In summary, she said:

- F's defence to Barclaycard's chargeback was sufficiently strong and robust for it to conclude, fairly, that there was no reasonable prospect of success in pursuing it further
- there is no DCS agreement in place that would make Barclaycard liable to Mr V under section 75, Mr V having paid F for tickets that weren't in his name
- even if there was a DCS agreement in place there is no evidence of a breach of contract by F that would make Barclaycard liable to Mr V under section 75, F having appeared to

have received payment for outbound flights only, which Mrs V accepts were taken

Mr V disagreed with our investigator's view, so his complaint has been passed to me for review and 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.

Having done so I can confirm that I've come to the same overall outcome as the investigator and for broadly the same reasons. There is also very little I can usefully add to what has already been said.

I've read the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point or particular piece of evidence, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome. Our rules allow me to do this, reflecting the fact that we are an informal free service set up as an alternative to the courts.

I note that Mrs V believes that this complaint, and another brought by her, should have been considered by our service together. However, I disagree and for the same reasons as those already shared with the parties.

I can see that when Mr V submitted his refund claim, Barclaycard took steps to raise a chargeback through the relevant scheme. Mr V said he hadn't received the service he had paid for. For its part, F defended the claim providing, in my view, persuasive evidence that the service paid for using Mr V's credit card, which was for the outbound flight only, was, in fact, provided and available to use.

Based on the information Barclaycard had available to it at the time, I think it acted fairly and reasonably – it raised a chargeback; considered the evidence presented to it by both sides before reaching a decision not to continue the claim to the next stage in the process; and it was only after this, that it reversed the temporary credit it gave to Mr V at the start of the chargeback process. So, I'm not upholding this aspect of Mr V's complaint.

In terms of the section 75 claim, this gives a consumer the right to make a 'like claim' against a credit card provider where there has been a breach of contract or a misrepresentation provided certain conditions are met. One of those conditions is the requirement for a valid DCS agreement to be in place.

Based on what has been said and submitted I'm satisfied that Mr V's credit card was used to pay for tickets in the name of Mrs V and two other passengers, neither of which was Mr V. Mr V wasn't party to the agreement with the supplier (F) – the agreement instead being one between F and Mrs V. So, as our investigator has said there is no valid DCS agreement in place for a section 75 claim against Barclaycard to be successful.

But even if there was a valid DCS agreement in place, from what I can see Barclaycard wouldn't be liable to Mr V under section 75 on the grounds I've seen no evidence of a breach of contract by F. From all the evidence in this case, I consider F only received payment for outbound flights which Mrs V and the two other passengers utilised. Given this, I'm not upholding this aspect of Mr V's complaint.

So, for all the reasons set out above, I think Barclaycard acted fairly and reasonably in the way it handled Mr V's section 75 claim and chargeback request.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 7 March 2025.

Yolande Mcleod
Ombudsman