

## **The complaint**

Mr and Mrs T complain about how Barclays Bank UK PLC dealt with their chargeback dispute about holiday accommodation.

## **What happened**

Mr and Mrs T have a joint current account with Barclays. In August 2022, Mr T used his Barclays debit card to pay for a ground floor apartment in holiday accommodation for one week. When he arrived, he found that the accommodation did not meet his expectations; he says there was not enough privacy, and too much noise caused by neighbouring guests. He was unable to contact the merchant on the day he arrived, and so he left instead of staying. When he later corresponded with the merchant, the merchant offered to let him stay at another time of year when the resort would be less busy, but Mr T rejected that offer. He asked Barclays to refund his purchase.

Barclays sent Mr T an email saying that it had received his request, and that it would be in touch again within ten working days. That was in September 2022. When Mr T had not heard anything after eight months, he contacted Barclays again in May 2023, to learn that a chargeback dispute had not been opened, and that it was now too late to open one. Mr T has explained that he did not chase Barclays sooner because he had been going through very serious illnesses, and so he had not been able to give financial matters his attention during that period.

In its defence, Barclays said that it had not opened a chargeback dispute because it had required more information from Mr T due to some information he had provided not matching that which the bank had recorded in its systems. It said it had emailed him to ask for this (it has not provided our service with a copy of that email; it says this is due to the time that has passed). It added that even if a chargeback had been opened, it would not have succeeded, because the payment had not been made directly to the merchant, but via PayPal.

Mr T brought this complaint to our service (along with his wife, as she is a joint account holder). But our investigator did not uphold it. She did not agree that the accommodation had not been as described – she said the advertising appeared to have been accurate – so she thought that even if a chargeback dispute had been opened, it would not have succeeded. (She made no findings about whether Barclays had asked Mr T for further information in 2022.)

Mr T did not accept that opinion. He said it was speculative and not based on evidence, and that since a chargeback dispute had not been opened it was impossible to know whether it would have succeeded or not. He said the involvement of PayPal was irrelevant. He asked for an ombudsman's 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.

The evidence about the alleged mismatch of information when Mr T asked to raise a chargeback dispute, and about the bank's email to him, is no longer available, due to the passage of time. However, I don't think I need to make any findings about those issues to decide the outcome of this complaint.

The fact that the card payment was not made directly to the merchant, but was sent via PayPal, is not irrelevant; rather, it is of the utmost importance. The chargeback scheme only enables banks to request refunds from the immediate recipient of the payment, not from another party to whom the funds are subsequently transferred. So if PayPal had failed to do its job, then Barclays could have raised a chargeback dispute with PayPal, but there is no provision in the chargeback rules for Barclays to open a dispute with a third party to whom PayPal had forwarded Mr T's money and which provided the holiday accommodation. Nor would I expect Barclays to approach that party informally outside the scope of the chargeback scheme.

For that reason, I am unable to uphold this complaint. But even if the payment had been made directly to the merchant, so that a chargeback dispute could have been opened, I do not think it would have succeeded. I have viewed the advert for the relevant premises on the merchant's website, and I think it clearly describes that the premises are a ground floor apartment within the building, not the entire building; it says the courtyard is a communal area; and the photos clearly show how close the building is to the street, to the beach, and to the neighbouring properties. I accept that the premises did not live up to Mr and Mrs T's expectations, but I do not think there was enough to support a chargeback claim on the ground that the accommodation was not as described.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 27 June 2024.

Richard Wood  
**Ombudsman**