

## The complaint

Mrs C brings this complaint on behalf of her husband Mr C and complains Barclays Bank UK PLC (Barclays) gave incorrect advice and failed to help obtain a chargeback following non receipt of a hire car, while overseas.

## What happened

Mrs C says her husband paid for a hire car in March 2023 using his debit card but on attempting to pick up the car while overseas in mid July 2023, the car hire company refused to accept his credit/debit cards for payment. Mrs C says despite her husband providing various cards, the car hire company refused to accept any of these forms of payment or refund the amount they had paid in full, and they were forced to use another car hire company at additional expense.

Mrs C says she tried to telephone Barclays for help on the day, but she was informed only its fraud team were available, so she would need to contact them on the following Monday. With this in mind Mrs C collected the evidence so she could claim a refund when she returned home instead. On doing so, Mrs C says Barclays said it couldn't help and she'd need to go to the small claims court, but this was unsuccessful, and she subsequently learned from the Citizens Advice Bureau, Barclays should have offered to undertake a charge back, but by which time Barclays informed her she was out of time.

Mrs C says Barclays accepted its mistake and refunded the cost of the small claims court costs, but not the full cost of the car hire as she and her husband hoped for. Mrs C says Barclays failed to help recover the car hire booking costs and this was a result of the poor advice it originally gave, and it has never explained why her husband's credit card wasn't accepted by the merchant at the time. Mrs C wants Barclays to refund the cost of the car hire fees of in excess of £1,700.

Barclays says it accepts it didn't provide the correct advice at the time regarding the small claims court and how the chargeback process operates, and it has apologised for that and refunded the court costs of £205 and paid a further £25 for the inconvenience this caused. That said Barclays says any subsequent chargeback it may have attempted would have been unsuccessful, as her husband hadn't met the car hire company's requirements under its terms and conditions, and the hire company was therefore within its rights not to provide the car or offer a refund.

Mr C wasn't happy with Barclays' response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says there was no evidence to show Mr C's credit card wasn't working or there were any inhibits when he attempted to collect the vehicle. The investigator felt Barclays had undertaken a chargeback and it was unsuccessful because Mr C had not met the terms of the hire contract. The investigator noted that Barclays had refunded the cost of the small claims court and paid £25 for the inconvenience.

The investigator didn't feel Barclays were at fault and the matter would need to be pursued

with the car hire company.

Mr C wasn't happy with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

I sent both sides a provisional decision, where I said :

*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 will be partially upholding this complaint and I will explain how I have come to my decision.*

*I can understand it would have been upsetting for Mr C to have paid in advance for a hire car, only to find the hire company refused to accept the payment method offered and refused to provide the vehicle or any refund. When looking at this complaint I will consider if Barclays were at fault for why the car hire company refused to accept the payment methods offered and if it did enough when Mr C's wife asked for its support to obtain a refund.*

*Mr C's complaint centres around the issues he and his wife encountered when trying to collect a car they had paid for back in March 2023. Mrs C explained, despite her husband producing a valid Barclays Visa credit card, the hire company refused to accept this which resulted in them having to go to another provider resulting in extra costs. More importantly, Mrs C says Barclays refused to help her obtain a refund for the car hire booking and gave incorrect advice at the time she visited the branch for help in early August 2023.*

*Mrs C wants to understand why her husband's credit card was refused that day as Barclays haven't given her a full explanation. I understand the points Mrs C has raised here and I am sympathetic with the situation. That said my role here is to determine if Barclays were at fault for the reason why the car hire company refused to provide the vehicle they had paid for in advance – and I'm not fully persuaded it was.*

*I say this because having considered all of the information provided to this service, like the investigator there's no evidence to suggest the payment method offered by Mr C at the time in mid-July 2023 had been blocked or restricted by Barclays. It's worth mentioning here that Mrs C has told this service Mr C complied with the terms and conditions of the car hire agreement, but that's not entirely correct here. When looking at the hire agreement while Mr C may not agree, it does say it doesn't accept debit cards as a form of payment and it would seem this may be where the problem starts, as the booking for the full payment back in late March 2023 was made by a Visa debit card not a credit card.*

*So, while I understand Mr C feels he has been treated unfairly here and I have some sympathy with him, in all probability the issue seems to lie with the hire company who accepted a payment method in March 2023, that its own terms and conditions suggest aren't acceptable. While that doesn't seem fair on the face of things, I can't hold Barclays responsible for that or why it wasn't able to give a full explanation why the hire company refused to accept any other methods of payment that day – it seems that was a business decision, rightly or wrongly the hire company took.*

*I should say it's not totally clear why Mrs C or her husband were unable to get through to Barclays service support teams on the day of the car hire, unless perhaps there was potentially a time differential, but it's fair to say they could have attempted a call a couple of days later, but instead decided to collect the evidence and present this to Barclays on their return, perhaps understandably.*

*That said, I do feel Barclays could have dealt with the matter more efficiently when Mrs C raised this matter in a branch visit in early August 2023, which by its own admission it has accepted. I feel that it hasn't been made clear to Mr C or his wife, that by the time the issue was raised with Barclays in branch in early August 2023, the deadline to raise a chargeback under Barclay's Visa rules of 120 days had already passed, as this would have needed to have been raised by around 27 July 2023 at the latest. So, unfortunately it was never an option available here. While it's reasonable to say Barclays were trying to find a solution to the problem by suggesting a small claims court route, this seems to have simply added to the time and inconvenience caused, when all that was really needed was for it to have explained the chargeback timescales to Mrs C.*

*While as I previously mentioned, Barclays accepted the advice regarding the small claims court was probably not in Mr C's best interests and has refunded those fees as I would expect here, I don't feel the level of compensation for the inconvenience it has paid of £25, truly reflects the poor explanation of the chargeback process and the added inconvenience this caused Mr C here. With that in mind I propose a further payment of £150 would be more appropriate in the individual circumstances of this complaint.*

*Taking everything into account, I can't say Barclays are at fault for the reason why the car hire company refused to accept the card payments offered for the reasons I have stated, and that is something Mr C may wish to pursue further, but I am satisfied the increased offer of compensation I have proposed, is a fair outcome here.*

Both Mr C's representative and Barclays responded to my provisional decision, so the case has been passed back to me to make a final 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.

I gave both Mr C and Barclays until 9 July 2024 to accept or reject my provisional decision. Barclays have accepted my provisional decision, but Mr C and his representative did not agree, and I will now cover the points raised here.

Mrs C has questioned why she still hasn't been advised why the payment method her husband presented was declined by the car hire company in July 2023 when he attempted to collect the vehicle. As I mentioned in my provisional decision, Barclays have confirmed the payment card her husband used to collect the vehicle in July 2023 wasn't subject to any blocks or restrictions. It's also worth saying there isn't any evidence to show the car hire company attempted to take payment from either of the cards Mr C presented to them.

So, as I mentioned in my provisional decision there doesn't seem to be a clear explanation why the car hire company refused those payment methods and while that does seem unfair, it's worth saying that Mr C paid for car hire in March 2023 using his debit card, which wasn't an acceptable payment method as set out on the car hire terms and conditions, so it is possible that could perhaps explain why any other payment method was refused.

While on the face of things this appears to be an unreasonable condition set by the car hire company, I can't hold Barclays responsible for that.

Mrs C has mentioned the car hire refusal was in mid- July 2023 so there was sufficient time to organise a chargeback. While I understand the point Mrs C makes here, the payment was actually made in March 2023 using Mr C's debit card and while Mrs C may not agree, unfortunately it is that transaction date from when the chargeback 120-day limit begins.

As I mentioned in my provisional decision I do feel Barclays didn't fully explain the charge back process to Mrs C when she visited the branch in early August 2023 and gave unhelpful advice for her to take matters via the small claims court. So, with that in mind I now instruct Barclays to pay Mr C a further £150 for the inconvenience this matter has caused.

While Mr C will be disappointed with my decision, I feel this is a fair outcome here.

### **Putting things right**

I instruct Barclays Bank UK PLC to pay Mr C a further £150 for the inconvenience this matter has caused.

### **My final decision**

My final decision is that I partially uphold this complaint.

I instruct Barclays Bank UK PLC to pay Mr C a further £150 for the inconvenience this matter has caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 24 July 2024.

Barry White  
**Ombudsman**