

The complaint

Mr U complains that Barclays Bank UK PLC failed to pursue a chargeback and handled his claim poorly.

What happened

Mr U ordered goods online and they were delivered to his address. However, he was not at home and he notified the merchant that he had not received the goods. It produced a photograph showing a parcel being held outside Mr U's door which was shut. The person holding the parcel could not be identified.

The goods costing £327.99 had been purchased by Mr U using his Barclays current account and he contacted the bank to seek a refund. It made a chargeback, but the merchant challenged it and said the goods had been delivered. Barclays concluded there was no basis for taking it further.

However, it agreed that it had provided Mr W with poor service in its handling of the matter and offered him £100 for this. It later increased this to £200 to recognise the distress he had suffered.

Mr U brought a complaint to this service where it was considered by one of our investigators who considered the offer was reasonable. Mr U initially agreed, but he thought the £200 being offered was in addition to the £200 already paid by Barclays. He asked that the matter be referred to an ombudsman.

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 do not consider I can uphold this complaint. I will explain why.

Chargeback is a process that is provided by the Card Scheme. It allows customers to ask for a transaction to be reversed if there's a problem with the goods or services they've paid for. There's no automatic right to a chargeback. Nor is chargeback a guaranteed method of getting a refund. The nature of the problem is checked against the possible chargeback reasons to see whether the claim will be successful. If the bank feels that a claim won't be successful, they don't have to raise a chargeback. This is a voluntary process and the bank does not decide the outcome.

In this case the bank submitted a chargeback and merchant pushed back and so Barclays concluded that the chances of success were minimal. I cannot say that Barclays was wrong to reach that conclusion. I appreciate that the photograph is not conclusive that the goods were delivered, but they were photographed outside Mr W's door and it is possible they were left and somebody else took them. I do not consider the merchant can be held responsible if that were the case.

I have every sympathy with Mr U, but I cannot say that Barclays did anything wrong in it taking that decision.

However, I can see that it did not handle the claim well and Mr U spent a considerable amount of time making calls and engaging in web chats. The bank did not always do as it promised and the matter was unnecessarily delayed. This was poor service and it caused Mr U some distress. I think the amount offered by the bank for this is fair and reasonable. I appreciate Mr U was hoping for more, but in the circumstances I do not think any additional sum is merited.

My final decision

My final decision is that I do not uphold the complaint, in the sense that Barclays Bank UK PLC need take no further action, and leave it to Mr U to decide if he wishes to accept the compensation offered and paid of £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 30 December 2024.

Ivor Graham
Ombudsman