

## The complaint

Mr M is unhappy that Barclays Bank UK PLC did not obtain a refund for a purchase made using his Barclays debit card.

## What happened

Mr M bought an “Online Business for Sale”, which cost £499. The online business was essentially a social media account that’s been set up by a third party to make money. The business was set up by “X”, who advertised the business to Mr M through a well-known online marketplace I’ll refer to as “E”.

In February 2024, Mr M called Barclays to say he wanted a refund of the £499 paid to E. Mr M said the payment was for something related to a popular social media platform. Barclays told Mr M it had temporarily credited his account with £499 and opened a dispute. Barclays said Mr M could keep the money if the dispute was successful, but it would take the money back if it wasn’t.

Barclays disputed the payment by raising a chargeback, but E defended it. E provided evidence from X that Mr M confirmed he had logged into the social media account. X also provided evidence it had sent Mr M instructions about how to use the account to make money but Mr M replied the instructions were a “*long story*” and “*I have no time for this*”. E said Mr M had made no attempt to return the goods purchased to X, so no refund was due to him.

Barclays also asked Mr M for information about the dispute, including details of what he ordered, but it didn’t hear back from Mr M.

On 10 April 2024, Barclays told Mr M it would re-debit the payment made into his account – this went ahead on 24 April 2024. The re-debit caused Mr M’s account to go overdrawn, and he then complained to Barclays. Barclays didn’t uphold Mr M’s complaint, so he referred it to our service.

One of our Investigators said Barclays had followed the chargeback process correctly, and it could not have pursued Mr M’s chargeback further. Our Investigator said Barclays was entitled to re-debit Mr M’s account as the chargeback was not successful. Mr M disagreed, so this has come to me for a 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.

Barclays tried to help Mr M recover the money paid to E by raising a chargeback. Chargeback is a way in which payment settlement disputes are resolved between card issuers and merchants. They are dealt with under the relevant card scheme rules – in this case, the relevant card scheme is VISA.

It appears that Barclays raised a chargeback for goods or services not received. Having listened to Mr M's phone call with Barclays, Mr M did not say specifically why he was unhappy with his purchase. I don't think it makes a difference to the outcome that it was unclear why Mr M was disputing his payment to E because, having reviewed the evidence available, I don't think there's any reason a chargeback would have been successful.

For a successful chargeback for goods or services not received under VISA's rules, it must be shown that the merchant (here, E) was unwilling or unable to provide the merchandise or services.

E defended the chargeback with evidence to prove Mr E had received access to the social media account he paid for, and received instructions about how to use it. When a merchant defends a chargeback, it is possible to progress the chargeback to the card scheme's arbitration process. The arbitration process is decided by the card scheme, and the outcome is not guaranteed.

It appears that, having considered E's evidence, Barclays decided the chargeback was unlikely to succeed at arbitration stage. Barclays could have explained this more clearly to Mr M, and he may feel he has lost an opportunity to have his case put to arbitration as a result. But even if the chargeback had progressed to arbitration, I don't think it had a reasonable prospect of success as there was clear evidence to show Mr M did receive access to the social media account he purchased. Barclays gave Mr M the opportunity to provide his own evidence as part of the chargeback process, but he didn't do so. In the circumstances, I don't think there's anything more Barclays could reasonably have been expected to do.

Barclays explained to Mr M that if the chargeback wasn't successful, it would re-debit the payment made to E. So, I'm satisfied Barclays was entitled to re-debit Mr M's account. Barclays gave Mr M reasonable notice this would happen, so I think it treated him fairly here.

## **My final decision**

For the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 3 June 2025.

Victoria Blackwood

**Ombudsman**