DRN-5724137

The complaint

Mrs R complains about how Barclays Bank UK PLC trading as Barclaycard ('BC') handled a claim she made to it.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

Mrs R paid for a family member to receive four weeks of treatment at a rehabilitation centre using (in part) her BC credit card. He discharged himself early after one week.

Mrs R was dissatisfied by the service her relative received from the supplier and had complained to the clinic ('the supplier') but felt she had not received a satisfactory response.

Mrs R approached BC to raise a dispute. In summary, she said her relative left the facility after one week because of '*the lack of care and safety supplied by the rehab'*. She added that he '*was not treated with the respect and understanding one would expect for a recovering addict'*.

BC considered the claim. It raised a chargeback which it discontinued because it was defended by the supplier. It also considered a claim in respect of Section 75 of the Consumer Credit Act 1974 ('Section 75') but it declined this. It concluded that the required 'Debtor-Creditor-Supplier' agreement was not present for Mrs R to have a claim against it for the allegations she had made against the supplier.

A complaint about the claim handling was escalated to this service. Our investigator thought that BC had ultimately not acted unreasonably in not refunding Mrs R or paying compensation.

Mrs R has asked for an ombudsman to make a final decision on the case.

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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

Before going any further I would like to say I am very sorry to hear about the wellbeing and financial difficulties Mrs R has described in connection with this case. I wish her and her family well for the future. I would also note that if she has not done so she can reach out to BC for assistance and support with any financial difficulties in connection with paying her account.

It is worth underlining here that my role is not to make a determination on the actions of the supplier. My decision here is about the actions of BC – and what it should fairly have done for Mrs R in its position as a provider of financial services. In looking at how it handled the claim Mrs R brought to it I consider the information reasonably available to it at the time, along with the relevant card protections available to Mrs R including chargeback and Section 75.

Section 75

Section 75 in certain circumstances allows Mrs R to hold BC liable for a '*like claim'* for breach of contract or misrepresentation in respect of an agreement by a supplier of goods or services which is funded by the credit card.

There are certain technical requirements that need to be met for Section 75 to apply. I note in this case BC declined the claim primarily because it considered these requirements were not met. It referred to the lack of the required 'Debtor-Creditor-Supplier' agreement for Mrs R to make a claim against it for breach or misrepresentation by the supplier because the treatment was for her adult relative.

Although Mrs R is named on the contract as the 'Funder', the contract is also signed by her adult relative who is named as the 'Client'. I appreciate the contract indicates that the funder contracts with the supplier and the client does 'where appropriate'. It seems here that while Mrs R may have some agreement with the supplier, it is her relative who ultimately would have to consent to what is a highly personalised service he is receiving from the clinic. It follows, that any right to take a claim against the supplier regarding the quality of the treatment itself would likely stem from the agreement her relative has with the supplier than any ancillary agreement with Mrs R. I say this also noting there appears to be no persuasive evidence her relative did not have capacity to enter the contract at the time.

I appreciate Mrs R has pointed out how she sought to benefit from the treatment. I can understand that. However, I don't think that alone persuasively shows she has an agreement with the supplier that enables her to claim against BC for the specific allegations she has made - which essentially relate to the quality of care and treatment. And while I note she has provided various case law which she says supports her argument, it doesn't appear she presented this to BC at the time, nor does it appear these cases specifically relate to a situation like this involving (what is highly personalised) medical treatment.

So, on the face of it I cannot fairly say that BC were acting unreasonably in concluding that the requirements for a valid claim were not met here. However, I do accept this is a complex and arguably grey area – and Mrs R could be correct if her case were tested in court. But even if I accepted the relevant technical requirements were met for a valid claim – this would not change my decision anyway. For completeness I will explain why.

I think Mrs R's claim is essentially is about alleged breach of contract. But after looking at the express terms of the supplier's contract I can see it clearly states there are no refunds if the client discharges themselves. This is what the supplier says occurred here – and that appears to accepted as fact by all parties. So, on the face of it the supplier refusing a refund in these circumstances is not a breach of the express terms of the contract and BC are not acting unfairly in not issuing a refund as a result.

However, the key thing here is Mrs R has alleged that the reason her relative left the facility was because of inadequate care from it. Therefore, I have considered any relevant implied terms in the contract through consumer law.

The Consumer Rights Act 2015 ('CRA') implies terms into consumer contracts to say that services will be provided with reasonable 'care and skill'.

While there is no specific definition of reasonable care and skill – of particular relevance will be what is considered good practice in the particular industry in question.

The difficulty here is Mrs R has paid for a complex clinical product where specific expert knowledge is necessary to understand what is reasonably expected in this industry around treatment and care. There are also extremely complex matters at play in the facts as presented here and arising from the allegations in question. I am not an expert in this area (nor is BC) and without an expert report that explains what has gone wrong and why or some other similarly persuasive evidence it is difficult to fairly conclude that the treatment wasn't carried out properly. This is particularly the case when in this field there are certain reasonably expected variables which can impact the treatment and the end results.

I also note the facility appear to have denied wrongdoing and provided a detailed response to Mrs R's complaint about what happened indicating the steps it took in addressing how her relative presented. It underlined that Mrs R's relative discharged himself and it couldn't prevent it. I know Mrs R says what the supplier says is inaccurate but ultimately, I refer back to what I said above about the complexity here and the lack of independent expert evidence to persuasively make Mrs R's case.

It is also important to note that even if I agreed certain results were not achieved, a finding in respect of reasonable care and skill is not dependent on the results achieved but the manner in which the treatment was carried out. And while particular results (such as early self-discharge) may be indicative of how a treatment was carried out – it is common, particularly in the medical field for outcomes to vary for a number of reasons other than a lack of care or skill by the practitioner.

So, based on the limited evidence available to it (and noting the lack of independent expert evidence to support Mrs R's case) I am not in a position to say that in considering the Section 75 claim presented to it BC should fairly have concluded the treatment was carried out without reasonable care and skill.

I note Mrs R has referred to how the supplier acted when her relative left the facility in respect of safeguarding concerns and has questioned if this was appropriate and proportionate. I think this falls outside any Section 75 claim against BC – as it concerns matters outside the agreement for treatment and after her relative had left the facility. However, and in any event – this is not something I would have expected BC to conclude was a breach of contract without specific persuasive (likely expert) evidence to show this.

I also note Mrs R has pointed to the fact the supplier out of goodwill offered to allow her relative to return to continue treatment but it said it would charge a readmission and re-assessment fee of £750. However, as this is a goodwill gesture not clearly flowing from a breach of contract I don't consider BC would reasonably be expected to have done anything in this regard regarding its own Section 75 liability.

Overall, I think it looks like Section 75 does not apply to Mrs R's claim, but I am not persuaded BC should reasonably have concluded there was a breach of contract here in any event (based on the evidence it had). For completeness, I don't think this is a claim about misrepresentation – but I also don't consider there was persuasive evidence of that presented to BC in any event (noting similar concerns about the complexity of the matter as a whole).

Chargeback

Chargeback is another route that can be used with a dispute about goods or services paid for on a card. It isn't guaranteed to succeed and is based on the rules of the card scheme (in this case I understand it is VISA – although that doesn't make a difference here in any case).

From what I understand a chargeback was raised by BC. I am not entirely sure what reason code was used but it was likely to be one relating to defective services. It says that the supplier defended the chargeback so it discontinued it.

Looking at the complexity and nature of the dispute – and the detailed rebuttal by the supplier to Mrs R's complaint to it I do not consider BC was acting unfairly in discontinuing the chargeback when it did. And for the reasons I have already given in respect of Section 75 I can't say it was more likely than not to have succeeded at arbitration even if BC had taken it further.

General claims handling

Mrs R has also said that BC did not handle the claim in a timely manner. I have looked at this. I can see the initial claim paperwork was submitted by Mrs R to BC at the end of April 2024 and BC raised a chargeback shortly afterwards. When it was clear the chargeback was not going to be successful it appears BC focused on Section 75 and then called Mrs R in July 2024 to deliver the initial outcome. I appreciate Mrs R then called again to get her claim reconsidered – and raised a complaint which took additional time to look into. However, especially considering the complexity of this claim I don't think that BC took an unreasonable amount of time to look into it and deliver an initial outcome. So I don't think compensation is due in that regard.

I know this decision is not what Mrs R is hoping for. And I want to reiterate how I recognise the difficult time she and her family have been through. Furthermore, I want to underline that my decision is not whether the supplier has acted wrongly or rightly – ultimately, I am looking at whether BC handled the claim made to it fairly based on the information reasonably available to it at the time.

Mrs R does not have to accept my decision. She is free to reject it and then look at any other options she might have for taking things further against the supplier if she wants to.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 21 November 2025.

Mark Lancod
Ombudsman