

## **The complaint**

Mr M has complained that Barclays Bank UK PLC, “Barclays” did not deal with his request for help when seeking a refund from a merchant.

## **What happened**

The circumstances leading up to this claim aren’t disputed so I’ve only briefly set them out here. On 29 November 2024, Mr M used his business current account to purchase a display fridge from a merchant I’ll refer to as A. In total he paid £1,431.84 for the item.

Mr M said when the fridge wasn’t delivered, he contacted A to ask for a refund. On 11 December, Mr M received a refund of £809.88 back to his account. He tried to get the remaining amounts from A, but unable to do so, he contacted Barclays for help.

Barclays says it raised a chargeback claim under the “credit not processed” reason code of the chargeback rules. But this was defended by the merchant explaining Mr M had already received the refund he was entitled to under the merchants’ terms and conditions. But Barclays did feel its service levels when dealing with the dispute fell below the standard it expects to offer and paid him £150 compensation in recognition of the distress and inconvenience caused.

Unhappy, Mr M referred his complaint to this service. He said that neither Barclays nor A had treated him fairly and he had not received the fridge nor a full refund. He said the remaining amount of approximately £621 remained outstanding and he’d never received an explanation as to why that amount wasn’t returned to him.

Mr M’s complaint was considered by one of our investigators. He initially felt the complaint should be upheld but on review of further evidence from A, he didn’t think Barclays had acted unfairly. The merchant explained that it had attempted a delivery on 5 December 2024, but Mr M rejected the fridge explaining that it was the wrong size. In accordance with the terms Mr M agreed to when he ordered the fridge, it was for customers to check the items purchased will fit into their own premises, and if a delivery is refused, the customer will be charged a cancellation fee as well as a two-way courier fee. So, Mr M had received the refund less the charges he had to pay for, for refusing delivery. So, our investigator felt the merchant had acted in line with its terms and Barclays hadn’t acted unfairly. He also felt the £150 paid for poor service was reasonable.

Mr M remained unhappy and explained that no delivery was attempted, that he had not refused the fridge and while the merchant had mentioned a signed proof of delivery note, a copy had not been provided. He felt that there had been no reliable evidence that a delivery had been attempted. He added that a breakdown of the fees had not been provided. He felt Barclays had acted unfairly by not challenging the evidence provided by the merchant.

As the complaint couldn’t be resolved by our investigator, I’ve been asked to make 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.

Firstly, I'd like to reassure Mr M, that I have considered all his concerns carefully, but I will only be dealing with the most salient parts of his complaint in this decision as I'm required to decide matters quickly and with minimum formality.

In deciding this complaint, I'm only considering the actions of Barclays and how it handled Mr M's request that it raise a chargeback on his behalf. I'm not looking at the actions of A as part of this complaint. Barclays is only responsible for ensuring that Mr M's claim for a refund is correctly processed and is not responsible for everything A did that Mr M might be unhappy with.

Having considered everything very carefully, I have to tell Mr M that I'm not going to uphold his complaint, and I'll explain why.

A chargeback is the process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme rules. It allows customers to ask for a transaction to be refunded in a number of situations, some common examples being where goods or services aren't provided, where goods or services are defective, or where a credit isn't processed in line with a merchant's refund policy. In this particular case, an appropriate reason might be that A hadn't credited Mr M with a refund in line with A's refund policy.

The chargeback rules set out by the card scheme lay down strict conditions which must be satisfied for a chargeback claim to succeed – so customers aren't guaranteed to get a refund through the chargeback process. If a financial business thinks that a claim won't be successful, it doesn't have to raise a chargeback. But where there's a reasonable chance of success, I'd expect a financial business to raise a chargeback.

It's important to note that chargebacks are decided based on the card scheme's rules – in this case VISA's – and not the relative merits of the cardholder/merchant dispute. So, it's not for Barclays – or me – to make a finding about the merits of Mr M's dispute with A, or whether or not the chargeback rules are fair. Barclays's role is to consider if Mr M has met the conditions required to enable it to raise a chargeback on his behalf and consider any defence submitted by A based on the facts of the case.

In this case Barclays raised a chargeback for Mr M under the code for refund not processed. But Barclays notes show the merchant defended the claim on the basis that its terms made it clear that Mr M would be charged a cancellation fee and a two-way courier fee – and Mr M had received the refund he was entitled to under the merchants returns policy. I appreciate Mr M says no delivery was attempted and he didn't refuse the fridge. He's unhappy with the evidence provided by A, which is a screenshot of its own internal notes which he says is unreliable. He's also commented that no breakdown of the courier fees has been submitted.

During a chargeback dispute, the only matters to be considered are the rules set by the card scheme to which the consumer's card belongs, along with the facts of the case. It is not designed to settle complex disputes or to consider legal arguments or examine evidence to the degree that Mr M appears to expect. As explained above, Barclays isn't expected to consider the relevant merits of Mr M's dispute with A. Its role is to see if it has sufficient grounds to raise a chargeback dispute in line with VISA's rules (which it did), and then to consider any defences submitted by A. The merchant's defence was enough to mean the chargeback for that claim didn't succeed. The rules do not stipulate specific evidential

requirements and the merchant's defence isn't for example noticeably poor or lacking in credibility.

As explained above, where the merchant challenges a chargeback, a bank doesn't have to carry out a detailed investigation into what actually happened to decide which party deserves the money. In fact, most banks won't take a chargeback any further if it's defended. In this case Barclays decided not to take the dispute any further due to the defence submitted by A.

In this case, Barclays attempted the chargeback, and it was defended by A by explaining it had acted in accordance with its contractual terms. At this stage, there was little more Barclays could do unless it felt it had a reasonable prospect of succeeding at arbitration. But based on the available facts, I don't think Mr M's claim was likely to win bearing in mind the defence submitted by A. So, I can't say that Barclays made any mistake or acted incorrectly by making that decision. As explained above, it wasn't the case for example that the merchant's defence was noticeably poor or lacking in credibility.

I want to make it clear that I am not making any findings as to whether Mr M's claim against A has any merit. I sympathise with Mr M's position after not having received the item and not receiving a full refund either like he expected. But as explained above, I am not looking at a complaint against A, so I cannot assess whether it behaved reasonably. I can only assess whether Barclays has progressed Mr M's chargeback claim reasonably, in accordance with VISA's rules and I think it has. It correctly identified the reason code to request the chargeback, it requested the chargeback and the merchant defended it. Barclays doesn't seem to have made any errors in this regard.

I'm persuaded that Barclays took the claim as far as it reasonably could've done given the merchant's defence. So, in view of this, there's nothing more that I would've expected Barclays to do. While I am sorry to hear Mr M is unhappy, I don't think Barclays made any errors when it considered his chargeback claim. So, I don't think Barclays' response to his request for a refund was unreasonable and I don't ask it to do anymore.

I have also considered Mr M's original concerns over the service received from Barclays, and its compensation payment of £150. I haven't seen anything that suggests that Barclays ought to pay any more than it's already paid so, like our investigator, I don't think its response to this issue was unfair either.

Based on everything that I've seen, I find no grounds to direct Barclays to refund Mr M the money he has lost so I don't uphold his complaint. Although I'm not upholding the complaint against Barclays, Mr M may have other avenues open to him to pursue the merchant for a refund, but that is something he'll need to do outside of our service.

### **My final decision**

For the reasons I've explained, 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 13 November 2025.

Asma Begum  
**Ombudsman**