

The complaint

Mr S complains that Barclays Bank UK PLC trading as Tesco Bank didn't do enough to help him when he told it about a dispute he had with a merchant over services paid for using his Tesco Bank credit card.

What happened

On 21 November 2024 Mr S purchased flights for two friends using his Tesco Bank credit card. The total amount paid was £1,431.99 and the payment was made to an online travel agent.

Mr S argues that although he was charged, the purchase didn't go through with the merchant. Mr S has said he attempted the payment again with another provider and was successful. Mr S contacted the merchant to try to recover the payment, but has said he didn't receive a response. So Mr S contacted Tesco Bank for help recovering the payment he made using the account held with it.

Tesco Bank says it considered the information Mr S provided but didn't think a chargeback was likely to be successful, so it didn't raise one. It thought that the evidence Mr S provided showed the payment made using his Tesco Bank credit card did go through and as this was the first attempt, it advised Mr S to contact his other provider to dispute the subsequent payment. It also said Mr S hadn't evidenced that the transaction with the other provider had been successful. Mr S complained, and Tesco Bank maintained its position. So Mr S referred his complaint to our service.

One of our investigators considered the complaint but didn't uphold it. They thought that based on the evidence provided, Tesco Bank hadn't acted unfairly by not raising the chargeback. Mr S disagreed and asked for an ombudsman to consider the complaint.

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.

Having done so, I'm not going to uphold his complaint. I appreciate this will be disappointing for Mr S. I'll explain why below.

I've read everything that the parties have said, but I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. And our rules allow me to do this. This reflects the nature of our service as a free and informal alternative to the courts.

Chargeback

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, or where goods or services aren't as described.

There's no automatic right to a chargeback; the chargeback process doesn't give consumers legal rights; and chargeback is not a guaranteed method of getting a refund because chargebacks may be defended by the merchant. This is because the rules, set out by the card scheme lay down strict conditions which must be satisfied for a chargeback claim to succeed. 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.

In this case, Tesco Bank didn't raise a chargeback as they didn't think it had a reasonable prospect for success. Having considered the matter fully I don't think it was unreasonable for Tesco Bank to reach this conclusion and not raise the chargeback.

When Mr S initially contacted Tesco Bank, he said he had attempted to purchase flights using his Tesco Bank credit card. However, he said the transaction didn't complete so he attempted this using another account ("card two") which was with another provider. At this time, I can't see he made any reference to an attempted payment using a third provider. He says that the payment went through using card two and has provided a receipt from the merchant.

Tesco Bank confirmed the payment with it also went through. It also highlighted that Mr S has said this was the first payment attempted, so it advised Mr S that he would need to dispute the second payment with the other provider. It said that once it had done this, if Mr S shares the response from the other provider it would reconsider the matter.

Furthermore, Tesco Bank had some concerns with the receipt provided by Mr S from the merchant. This shows the service was purchased using a different account to both the account number for Tesco Bank and card two. Mr S explained that it does in fact show the service was purchased using card two. He's said that the payment was made using card two but through Apple Pay. He told Tesco Bank that Apple Pay assign a reference number and don't share the card numbers with the merchant.

I have a number of concerns with this. Firstly, the receipt makes no reference to Apple Pay being used. It appears to me to quote a partial card number starting with a 5 which it expressly states is a Mastercard. Conversely, account two starts with a 4 and whilst Mr S has said he thinks this account is a Mastercard it wouldn't begin with a 4. Beginning with a 4 suggests that account two was a Visa card. So even if I accepted Mr S' argument that it isn't the account number quoted it is a reference number, it's more likely that this would be the Tesco Bank account which was a Mastercard rather than card two which in all likelihood is a Visa card.

Furthermore, Mr S subsequently provided another receipt from the merchant which quoted the starting number for the Tesco Bank account. I'm not sure what has happened, but this receipt suggests to me that a transaction when through using Mr S' Tesco Bank credit card and the merchant has provided Mr S with a receipt confirming this. Ultimately, I'm not persuaded that Mr S has evidenced that his version of events took place. And so, I don't think the chargeback had a reasonable prospect for success and I don't think Tesco Bank acted unfairly by not raising a chargeback.

I've noted Mr S has said Tesco Bank failed to consider the subsequent information Mr S has sent it. However, I can see that Tesco Bank has responded on a number of occasions explaining that this didn't change its thoughts. And looking at the information provided I can't

see that it would have either. So I don't think Tesco Bank has treated him unfairly in this regard.

I note that in response to the investigator's assessment Mr S has provided information to show that the payment was attempted a third time and was unsuccessful, so a third provider was able to recover these funds paid. However, I can't see that Mr S ever raised this when he explained what had happened to Tesco Bank, so I don't think this impacts my findings on Tesco Bank's handling of the chargeback claim. But in any event, this still doesn't evidence that this chargeback had a reasonable prospect of success.

So, for the reasons explained I don't uphold Mr S' complaint about the handling of his chargeback request.

Tesco Bank could have also considered its obligations under s.75 of the Consumer Credit Act 1975 (CCA). This section of the CCA says that in certain circumstances the borrower under the credit agreement can make a like claim against the credit provider, as they can against the supplier, if there's been a breach of contract or misrepresentation.

Tesco Bank has said Mr S wouldn't have been able to meet the requirements for a claim as he was purchasing tickets for other people and not himself. So, it thought Mr S wouldn't have the required debtor-creditor-supplier relationship in place to make a s.75 CCA claim. As our investigator explained, the booking agent would still be required to provide the service of booking the tickets, so Mr S could raise a s.75 CCA claim in respect of this. However, on the facts Mr S hasn't evidenced a breach of contract in respect of the Tesco Bank payment. As explained above, one of the receipts from the merchant shows the Tesco Bank credit card number suggesting the travel agent fulfilled this requirement. So, I don't think a s.75 CCA claim was likely to be successful in any event.

My final decision

For the reasons explained above, I don't uphold Mr S' complaint against Barclays Bank UK PLC trading as Tesco Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 December 2025.

Claire Lisle
Ombudsman