

## **The complaint**

Mrs M complains about the way in which ClearBank Limited handled her chargeback claim.

## **What happened**

On 10 January 2025 Mrs M made a payment of £500 to a merchant for a street market membership using her ClearBank debit card.

Mrs M was then advised that the location of the street market had changed. Mrs M was unhappy about this and complained to the merchant but was unable to resolve matters.

Mrs M contacted ClearBank and asked to raise a chargeback. On 29 May 2025 ClearBank advised Mrs M that the chargeback hadn't been successful because the merchant had provided evidence which showed that the service Mrs M had purchased was non-refundable.

Mrs M wasn't happy with the outcome and complained to ClearBank. ClearBank issued a final response on 12 June 2025 in which it didn't uphold the complaint.

Mrs M remained unhappy and brought her complaint to this service.

Our investigator said he thought ClearBank had handled Mrs M's chargeback claim fairly. He said the merchant had provided terms and conditions which showed that no refunds would be made and that the membership had been provided to Mrs M and the event arranged, albeit at a different location to that originally specified.

Mrs M didn't agree. She said she'd entered into a contract to participate in the market at a specific location and on specific dates. She said the location and dates had been changed without her consent and therefore the service she'd paid for hadn't been delivered. Mrs M also said that ClearBank hadn't considered all her evidence before reaching its decision not to pursue the chargeback.

Because Mrs M didn't agree I've been asked to review 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.

I know it will disappoint Mrs M but I agree with the investigator's opinion. I'll explain why.

Chargebacks are a voluntary scheme. The card issuer checks the complaint against the possible chargeback reasons and asks for evidence so it can decide whether or not it can make a claim for the consumer. Card issuers don't have to submit claims and will only do so if they think they have evidence to support a successful claim. This service expects card issuers to help if they can, but we don't expect them to raise a chargeback where there is little or no prospect of success.

I've looked at Mrs M's request to raise a chargeback to see whether or not ClearBank acted

reasonably when it decided not to pursue it.

Mrs M has said that she didn't receive what she paid for, because the location and date of the market was changed.

When dealing with chargebacks, banks and credit providers need to do so within the remit of the rules set by the relevant card scheme. In this case, the Mastercard rules applied, and the chargeback was raised under the reasons "goods or services not received or not as described".

When ClearBank raised the chargeback under the reasons "goods or services not received or not as described", the merchant disputed the claim and argued that the goods and services had been provided because what Mrs M had purchased was a membership package which entitled her to participate in markets, and that this had been provided to her. The merchant said that although the location had changed, the event had still gone ahead, and the stalls had been provided for use by Mrs M.

The merchant also provided its terms and conditions which set out its refund policy. These terms and conditions provided for a full refund within the first 3 days and a 50% refund before 1 February 2025. After 3 February 2025 there was no refund. The merchant explained that Mrs M had raised her complaint after 3 February 2025 and was therefore not entitled to a refund.

I've reviewed all of the available evidence. I don't think the terms and conditions relating to the merchant's refund policy are relevant to the issue of whether the chargeback was handled fairly. The crux of this complaint is whether the chargeback was likely to have a reasonable prospect of success taking into account the grounds on which it was raised – goods and services not received or not as described.

It's not in dispute that the membership was provided to Mrs M. Membership entitled Mrs M to participate in events. I appreciate that the events location was changed, but on balance I don't think this is enough to successfully argue that the goods and services weren't provided as described, because the goods and services were the membership. I think it's unlikely that the chargeback would've been successful if ClearBank had taken the chargeback forwards to arbitration on the point about location.

I'm therefore satisfied that ClearBank acted reasonably when it decided not to pursue the chargeback.

I appreciate that Mrs M has said that she doesn't think ClearBank considered all of her evidence. I can see that Mrs M provided evidence after the chargeback had been determined. However, looking at the evidence provided, I don't think this would've changed the outcome here.

Mrs M has raised some points about breach of contract and has said that other consumers have successfully raised a disputed transaction claim. I'm only able to look at the circumstances of this particular complaint. It may be the case that (if a breach of contract can be shown) then a claim under Section 75 could succeed. However, this wouldn't be applicable in Mrs M's case, because Section 75 can only be used where payment has been made with a credit card and in this case, Mrs M used a debit card..

### **My final decision**

My final decision is that I don't uphold the complaint.

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

Emma Davy  
**Ombudsman**