

## The complaint

M, a limited company, has complained Barclays Bank PLC won't refund them after a disputed credit card transaction.

## What happened

Mrs F is a director of M and holds a commercial credit card provided by Barclaycard Commercial. I will refer to both M and Mrs F throughout this decision.

In August 2024 Mrs F was looking to book flights and carried out a search online. She found a company offering what she wanted and made a payment of £700.25 using M's credit card.

Very shortly after making the payment, Mrs F realised this company was a scam. She contacted Barclays but was told as the transaction was still in flight, it could not be formally disputed until after it was processed. Mrs F formally requested this transaction be disputed.

Barclays submitted this dispute under the international card scheme chargeback rules. The relevant international card scheme rejected this claim as M was the victim of a phishing scam and the chargeback rules didn't cover this scenario. Barclays didn't consider this transaction under section 75 rules as M *"had shared their details with the merchant"*.

Mrs F brought M's complaint to the ombudsman service.

Our investigator confirmed the chargeback rules didn't apply to this transaction. He accepted that M had been the victim of a scam, but he wouldn't have expected this to be a transaction where Barclays should have intervened.

Mrs F remained unhappy with this outcome. She's asked an ombudsman to consider M's 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've reached a different outcome to our investigator.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time. In this case the Payment Services Regulations 2017 are relevant as they require financial institutions to show transactions were properly executed.

Section 75 of the Consumer Credit Act 1974 allows for a bank to be held jointly liable for

claims where there has been a misrepresentation or breach of contract in delivering goods or services. These regulations are also relevant in consideration of this complaint.

I confirmed to Barclays on 29 January that I would be asking them to refund M. My reasons for doing this include:

- There was no evidence of a final response being provided to M.
- M were attempting to buy cheap flights using a budget travel website and were the victims of a fraud by another site masquerading as a genuine website.
- M noted what had happened quickly and alerted Barclays immediately.
- Based on M's testimony I accept that M authorised this credit card transaction. However, I note that Barclays has provided no audit information to evidence this authorisation.
- As an authorised transaction, this would not meet the criteria for a chargeback claim.
- There is no evidence from Barclays to show this was investigated as fraudulent. Nor has that evidence been shared with our service.
- As this was a business credit card transaction, I agreed with our investigator that there were no grounds to expect Barclays to intervene.
- I was unable to discern Barclays reasons for rejecting any section 75 claim. They have separately said "*the transaction was made by a 3<sup>rd</sup> party and the card verification details were provided*". Neither of these – without supporting evidence – mean that a section 75 claim cannot be pursued.
- It is possible that there is a valid claim on the basis of fraudulent misrepresentation but Barclays has not responded to these aspects.

Despite asking Barclays for additional evidence and advising them that I would be asking them to refund M in full, our service has received nothing further from Barclays. A request for an extension to the timescale was requested and this was granted. This additional timescale has since expired.

The rules that govern our service allow us to make decisions without the full evidence being provided and we're allowed to take this absence into account.

### **Putting things right**

As I've previously confirmed to Barclays, I will be asking them to repay £700.25 to M. If M has repaid this debt on their credit card account, then 8% simple interest will need to be added to this amount. If any fees or charges have been added to the account for any non-payment of that amount, these will need to be refunded.

### **My final decision**

For the reasons given, my final decision is to instruct Barclays Bank PLC to:

- Repay £700.25 to M for the disputed transaction;
- Add 8% simple interest if M has repaid all or part of this debt; and
- Remove any fees or charges which have been applied to M's account and relate to this disputed amount.

Under the rules of the Financial Ombudsman Service, I'm required to ask M to accept or reject my decision before 25 March 2026.

Sandra Quinn  
**Ombudsman**

