

The complaint

Mrs W is unhappy that Barclays Bank UK PLC (Barclays) rejected her chargeback claim following a purchase she made.

What happened

In September 2024, Mrs W purchased a van. Mrs W paid £500 on 19 September 2024 and then £1,500 on 30 September 2024. The remaining balance due for the van was paid for using finance provided by a third party.

Mrs W says that shortly after purchasing the van she became aware it had previously been a rental vehicle. The van then suffered serious mechanical and electrical issues. Given these issues, Mrs W raised a chargeback dispute with Barclays in April 2025. After not hearing anything, Mrs W followed this up with a letter on 9 May 2025.

Barclays responded on 20 June 2025. In this it rejected the chargeback claim saying it had been raised outside the allowed VISA timeframe of 120 days. Barclays credited Mrs W account £25 to apologise for her having to chase the chargeback. Mrs W responded and explained her husband was terminally ill and passed away during the dispute and these exceptional circumstances seriously impacted her ability to raise the chargeback within the allowed deadline. Mrs W also explained a section 75 claim had been raised and upheld with her credit card provider that had paid for the rest of the transaction. This was based on the same evidence and circumstances that Barclays had declined to refund her on.

Mrs W referred her complaint to the Financial Ombudsman Service saying Barclays had remained silent and not provided a fair resolution. While the complaint was with us, Barclays explained the two payments Mrs W made in September 2024 were actually made via open banking, so were in effect a type of bank transfer. Therefore, Mrs W didn't have chargeback rights at all, regardless of the timeframes.

Barclays said it should've logged a scam claim for these payments instead and explained that it would start that process. Barclays offered £150 for the incorrect resolution it sent in June 2025 and for the delay in the scam claim being logged. One of our investigators put this offer to Mrs W, but she rejected it.

The investigator therefore considered the complaint further and concluded Mrs W didn't have chargeback rights as the payments weren't made with her debit card. They said similarly section 75 didn't apply as 'credit' hadn't been used. The investigator said they wouldn't be commenting on the scam claim as that's a new issue. Lastly the investigator said the total of £175 offered by Barclays was fair for its inconsistent communication.

Mrs W didn't agree and said she understood the reasoning around the VISA chargeback time limits but as the purchase and subsequent complaint took place during an extremely distressing period, exceptional circumstances made it impossible for her to pursue things within the usual deadlines. Mrs W again highlighted the same transaction was accepted by her credit card provider under a section 75 claim based on identical evidence. Lastly Mrs W said the £175 didn't reflect the distress and inconvenience caused to her.

As Mrs W didn't agree, the complaint has been passed to me to decide.

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 want to acknowledge I've summarised the events of this complaint. I don't intend to be discourteous, it just reflects the informal nature of our service. But I'd like to reassure Mrs W that I've reviewed everything on file and if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I would also like to say that I'm very sorry to hear about Mrs W's personal circumstances. I appreciate this must have been a difficult time for her and she has my deepest condolences for her loss.

In this case Barclays has provided evidence that shows the two payments in question here were made using open banking. Open banking payments are a type of bank transfer. These aren't card payments of any kind which is a requirement for a chargeback or payments that involve the use of a form of 'credit' needed for a valid claim under section 75.

So given this, Mrs W has no rights to chargeback or section 75 with the two payments she made from her Barclays account. This is the position regardless of any exceptional circumstances that Mrs W feels apply or what another bank said in a separate section 75 claim. Ultimately Barclays simply isn't able to raise a chargeback or section 75 claim for a bank transfer payment.

What Barclays has said it can do is raise a potential scam claim to see if it can assist via that route. I note that Barclays confirmed a claim has now been raised. I'm unsure if Mrs W has been provided an outcome to that claim yet. But in any event, it doesn't form part of this complaint and isn't something I've considered here. Mrs W may be able to raise a new complaint if she is unhappy with the outcome Barclays reaches or has reached on her scam claim.

I do think that should've been explained to Mrs W when she first raised her dispute with Barclays. Barclays referring to VISA timeframes that aren't relevant has caused unnecessary confusion. It's resulted in Mrs W explaining her exceptional circumstances that were the reasons for her not being able to pursue the matter within 120 days, when those wouldn't apply in any event. It's also caused delays in her scam claim being logged adding to the distress and inconvenience.

However, taking everything into consideration here, I'm satisfied the total of £175 that Barclays has offered is fair and reasonable for the distress and inconvenience that's been caused by it incorrectly referring to the chargeback time limits when they didn't apply and the delays that have been caused.

Putting things right

- It appears the £25 offered in the June 2025 response has been credited to Mrs W's account. Given it was initially rejected, I don't believe the £150 has been paid, but that isn't clear. So, as I think the total of £175 is fair in this case, it is that amount that Barclays should pay Mrs W, minus anything that has already been paid.

My final decision

Barclays Bank UK PLC has already made an offer to pay a total £175 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that upholding this complaint and I direct Barclays Bank UK PLC to ensure Mrs W receives a total of £175.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 19 March 2026.

Paul Blower
Ombudsman