

The complaint

Mr M complains that Metro Bank PLC failed to properly pursue his chargeback request.

What happened

On 3 December 2024 Mr M ordered goods online at a cost of £1,520.62 making payment from his Metro account. The goods were sent in three deliveries, but he says he did not receive these and so he contacted the merchant. He was told the goods had been delivered, but he said that he had not signed for them and the tracking photos showed the goods left in an unsafe and unattended location.

On 29 March 2025 Mr M visited his local Metro branch where he made a call to the bank's call centre. He was told further information would be required and the bank wrote to him on 31 March. The bank followed this up with another letter on 7 April and it received his evidence on 8 April. Subsequently the bank informed Mr M that the 120-day deadline for making a claim had passed. The bank rejected his complaint and so he brought the matter to this service. He told us that the bank had used the postal service to request the necessary information which had caused the delay. He also explained that his health condition had not been taken into account by the bank.

Our investigator considered the complaint and concluded that Metro had not showed the urgency required to seek to submit the chargeback in time. However, he didn't think it likely that the claim would have been successful. He recommended Metro pay Mr M £200 compensation for the distress caused by its handling of the matter.

Mr M didn't agree and said he had brought the evidence to the branch, but this was refused. He had been led to believe that his notification of the claim was sufficient to bring it within the deadline. He also said he was unable to obtain further details of the delivery from the courier due to the passage of time. Mr M said that under section 29 of the Consumer Rights Act title did not pass until the goods had been delivered to him.

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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any courtesy by this – it just reflects the informal nature of our service. I also want to assure Mr M that I've reviewed everything on file. 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 should make it clear that the role of the Financial Ombudsman Service is to resolve

individual complaints and to award redress where appropriate. I do not perform the role of the industry regulator and I do not have the power to make rules for financial businesses or to punish them.

I have every sympathy with Mr M but I do not consider I can uphold his complaint in full. I will explain why.

Chargeback is a voluntary scheme run by the card scheme operator to process settlement disputes between the card issuer – on behalf of the cardholder (Mr M) – and the merchant. It is not a legal right that the cardholder has.

The scheme operator sets the chargeback rules and time limits for transactions made using the card scheme. And it is the scheme operator that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder's behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn't necessarily expect it to raise a chargeback.

Under the scheme operator's rules applicable to this case, a chargeback must be requested within (i) 120 days of the transaction processing date or (ii) within 120 days of the last date the cardholder expected to receive the goods or services (but not exceeding 540 days from the transaction processing date).

The transaction took place on 3 December 2024 and so the deadline for a claim to be submitted was 3 April 2025. Mr M visited his branch on 31 March 2025 and I gather he took evidence with him. However, Metro's commercial processes, with which I cannot interfere, do not allow for evidence to be provided direct to a branch. That said, it should have been aware of the looming time limit and have acted in a way which allowed Mr M to submit the evidence in time. He was able to provide his evidence electronically and had he been given the means to do so on 31 March I think it likely that it would have reached the relevant Metro team before the deadline expired.

However, I have to consider if it is likely that the chargeback would have succeeded. The merchant had already rejected Mr M's claims that the delivery had not been fulfilled and so it is reasonable to presume that it would have pushed back against any chargeback made by Metro Bank. The bank would then have had to make a second presentment along with any further evidence Mr M could provide and again I believe it very likely that the merchant would have rejected the second attempt.

On relatively rare occasions banks can make an appeal to the card scheme operator's arbitration scheme and it decides on the outcome. To do so would require strong evidence in support of the chargeback. I do not believe Metro would have pursued an appeal and I cannot safely conclude it would have been wrong to have taken this stance. One must remember that chargeback is voluntary and the bank is not obliged to make one or pursue one if it does not consider it has merit. Furthermore, as it is a voluntary process it does not come under consumer laws.

I appreciate Mr M's health condition, but I gather the bank was unaware of this at the time. It says that it has invited him to discuss what support it may be able to provide and I would suggest that he makes contact with the bank.

In conclusion I consider the bank could have been more helpful and its failure to appreciate the urgency of the claim caused Mr M distress and inconvenience for which he should be compensated.

Putting things right

Metro should pay Mr M compensation of £200.

My final decision

My final decision is that I uphold this complaint and I direct Metro Bank PLC to compensate Mr M as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 January 2026.

Ivor Graham
Ombudsman