

The complaint

Mr G is unhappy because Sainsbury's Bank Plc declined his disputed transaction claim.

What happened

In May 2022 Mr G purchased tickets from a merchant and paid using his Sainsburys credit card. The purchase price of the tickets was £1,172.34.

In June 2022 Mr G contacted Sainsburys to dispute the transaction. He said that although he'd received the tickets, he'd been declined entry to the event.

Sainsburys raised a disputed transaction. The merchant challenged the claim and provided evidence that the tickets had been scanned at the turnstile. Sainsburys received the merchant's evidence on 7 September 2022 but didn't review it until 5 October 2022. On 8 October 2022 Sainsburys asked Mr G for further information to support his version of events but by the time Mr G replied, over 45 days had passed since the merchant's response and the chargeback was out of time. Sainsburys declined the claim.

Mr G complained to Sainsburys about the outcome. Sainsburys said it had declined the chargeback correctly because Mr G had been provided with the goods he'd paid for. Sainsburys acknowledged that it had taken too long to review the evidence it had received from the merchant and credited Mr G's account with £100 in recognition of the delay in providing him with the outcome of his claim.

Mr G remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said that Mr G didn't dispute that he had been provided with the tickets and the merchant had provided evidence that the tickets had been used at the turnstiles.

Mr G didn't agree. He said the steward at the turnstile had told him his ticket wasn't genuine.

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.

Chargebacks are a voluntary scheme. How it works is that the card issuer checks the complaint against the possible chargeback reasons to see what sort of evidence is required and under what timescales. This is so it can decide whether or not it can make a successful claim for the customer. Card issuers don't have to submit claims and they will only do so if they believe they have evidence that will support a chargeback claim so that it will be successful. This service expects card issuers to help if they can, but we don't expect them to raise a chargeback if there is little prospect of success.

I've looked at the available information to see whether or not Sainsburys acted reasonably when it declined the chargeback.

Mr G doesn't dispute that he received the tickets from the merchant. But he's said that when he attempted to go through the turnstiles, he was stopped and told by the steward that the tickets weren't genuine.

The relevant chargeback code for Mr G's disputed transaction is "goods or services not provided". So, in order to make a successful claim Mr G would need to provide evidence that the services weren't received.

In this case, the merchant has provided evidence which shows that the tickets were successfully scanned at the turnstile. So, it seems unlikely that the tickets weren't genuine. Otherwise, they wouldn't have scanned successfully.

Chargeback is an evidence based process. Mr G hasn't provided any evidence to show that he didn't enter through the turnstile. I appreciate that Mr G has provided an explanation of what happened on the day, but given the evidence provided by the merchant I don't think the chargeback claim had a reasonable prospect of success, So I'm unable to say that Sainsburys acted unfairly or unreasonably when it declined the chargeback.

I appreciate that Mr G is frustrated about the length of time it took for his claim to be processed, and I understand that he is annoyed that his claim was declined. I can see that Sainsburys has acknowledged that there were delays in its review of the merchant's evidence. By the time Sainsburys asked Mr G to provide more information in response to the merchant's evidence, the time limit for the chargeback had almost expired. I've thought about this, but I don't think the delay made any difference to the prospects of success of the chargeback claim. Based on the evidence I've seen, Mr G was provided with the tickets and the tickets were scanned at the turnstile.

Taking everything into account, I'm satisfied that Sainsburys handled the chargeback fairly.

I've gone on to consider whether Mr G might have a claim under Section 75 of the Consumer Credit Act 1974. This gives Mr G a right to claim against the supplier of goods or the provider of credit if there's been a breach of contract or a misrepresentation. However, in this case, because the tickets that Mr G purchased were supplied to him for the event that he chose, and because the event took place, I'm unable to say that there's been a breach of contract or a misrepresentation.

For the reasons I've given, I'm unable to uphold the complaint.

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 Mr G to accept or reject my decision before 21 November 2023.

Emma Davy
Ombudsman