

The complaint

Miss D complains about how Barclays Bank UK PLC handled her chargeback dispute about her purchase of a car.

What happened

In December 2021, Miss D bought a used car for £9,600; she paid £5,000 of that with her Barclays debit card. The car was six and a half years old. There is a dispute about the mileage, but a month earlier the mileage had been recorded as 21,068 miles.

Miss D says that she discovered the following problems:

- The windscreen wipers don't work properly;
- The car had been marketed as being ULEZ compliant, but it wasn't;
- The MOT history shows a discrepancy with the mileage, in that the mileage appears to have decreased by about 4,000 miles between January and November 2020. Miss D says this proves that somebody must have interfered with the odometer. She says that the manufacturer told her that the real mileage in November 2022 was actually 72,000 miles (about 51,000 more than the MOT says);
- The dealership that sold her the car had written in the logbook and recorded a false entry in the service history.

Miss D raised these matters with the dealership, but received no reply. In October 2022, she asked Barclays to raise a chargeback dispute, which it did. But then in November 2022, Barclays sent Miss D a letter telling her that the dealership had defended the chargeback, and enclosing the dealership's invoice for the car. This letter went on to say that Barclays hoped this explained the payment for her, but if she was not satisfied then she should reply within the next ten days.

Miss D says she did not receive that letter until after the ten days had expired. On the eleventh day she phoned Barclays to complain. She also says that the letter indicates that Barclays had failed to understand what her chargeback claim was about. The bank had treated it as if she had not recognised what the payment was for, and as if the invoice explained everything and was enough to resolve the matter, when in fact she had been complaining that the car was defective or not as described.

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In January 2023 Barclays wrote to Miss D again to tell her that her chargeback dispute had been closed, and that the £5,000 (which had been temporarily refunded) would be re-debited from her account. In February she brought this complaint to our service.

Barclays told our investigator that after Miss D had complained about the letter it had sent her in November, she had still not provided any evidence to support her claim. Under the chargeback rules, Barclays was allowed 30 days to provide further evidence in response to the dealership's defence; that deadline had expired later in November, and with no further evidence Barclays had had no option but to close the dispute.

Our investigator did not uphold this complaint. He agreed that Barclays had made mistakes in its handling of the chargeback dispute. But he did not think that those mistakes had made a difference to the outcome – that is to say, even if Barclays had done everything right, the chargeback would still have been unsuccessful, because Miss D had not provided enough evidence to support her claim. In particular, he said there was no proof that the odometer had been tampered with; he thought that the mileage discrepancy was probably just a mistake. And he didn't think that the poor customer service had been so bad that it merited an award of compensation.

Miss D did not accept that decision. She maintained that there was clear evidence to support her allegations – specifically the MOT history and the logbook. She asked for an ombudsman to review her case.

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 do not uphold it. I will explain why.

I agree that Barclays could have dealt with the chargeback better than it did. Although Barclays did identify the correct chargeback reason – goods defective or not as described – the bank was nevertheless satisfied with the dealership's defence to the dispute, which was not to the point. That defence had consisted of nothing more than copies of the invoice, the warranty, and the debit card payment receipt, as if Miss D had raised a chargeback dispute because she hadn't recognised the transaction.

Nevertheless, that doesn't necessarily mean that the chargeback should have succeeded. It was still necessary for Barclays to respond to the dealership's defence with evidence that the car was defective or not as described (or better still, to have provided that evidence in the first place). So I have considered what evidence Miss D had provided to Barclays by 24 November 2022, which was the latest date by which Barclays could have provided it (being 30 days after it received the dealership's defence on 25 October).

First of all, Miss D has not provided any evidence at all about the windscreen wipers not working – either to Barclays, or to our service. So I am unable to conclude that a chargeback could have succeeded on that issue.

Secondly, Miss D told us that the car was marketed as ULEZ-compliant, but that this had turned out not to be the case, as she had begun to receive letters about non-payment of the ULEZ charge. She researched the matter and discovered that she would need to obtain a document from the manufacturer confirming that the car was ULEZ-compliant. She obtained that document and forwarded it to Transport for London. So according to her own complaint, the car was ULEZ-compliant, and had not been misdescribed. I find that there is nothing in that point which could have served as the basis of a chargeback claim.

The MOT history shows that the mileage in July 2018 was 17,193 miles. In January 2020 it was 18,623. In November 2020 it says 14,050 miles, which clearly must be wrong. In November 2021 it was 21,068 miles; that was the most recent mileage recorded before the car was sold to Miss D a month later. For chargeback purposes, it is the November 2021 mileage which must be shown to have been inaccurate. So I must decide whether the previous reading, which was obviously incorrect, means that the next reading was wrong too.

Miss D infers that the only explanation for the 2020 mileage must be that someone tampered

with the odometer. However, I think another explanation is possible, and actually more probable: it was most likely just a mistake. (As an example of how that might happen: if the person who carried out the MOT made a handwritten note of the mileage, and later referred to the note to enter the mileage on a computer, and if their handwritten nines are hard to distinguish from fours, then 14,050 instead of 19,050 could have been entered in error.)

On the balance of probabilities, I think that some sort of clerical error (whether happening in the way I suggested above or in some other way) is more likely than odometer tampering. It follows that the mileage in November 2021 is likely to still be accurate, which leads me to think that a chargeback would have been unlikely to succeed on this point.

Miss D recently (in November 2023) provided us with further evidence about mileages, showing figures which are different to those recorded in the MOT history. However, that evidence was not available to Barclays when the chargeback dispute was open, and so I have not taken it into account.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 9 January 2024. But apart from that, this final decision brings our involvement in this case to an end.

Richard Wood
Ombudsman