

The complaint

Mr M is unhappy about the way his disputed transaction claim was handled by Sainsburys Bank Plc.

What happened

Mr M purchased a pair of trainers from a merchant and paid using his Sainsburys credit card.

Mr M was unhappy with the quality of the trainers. Unable to resolve matters with the merchant, he contacted Sainsburys to raise a disputed transaction claim.

Sainsburys refunded the cost of the trainers and paid compensation for the time it had taken to resolve matters.

Mr M remained unhappy and complained to this service. He says that the compensation he's received was paid in relation to the delay in his calls being answered, and not his concerns about how the claim was handled. Mr M said he wanted further compensation.

Our investigator didn't uphold the complaint. They said they thought Sainsburys had handled the dispute fairly.

Mr M didn't agree so I've been asked to review the 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.

I've looked at Mr M's request to raise a disputed transaction claim to see whether or not Sainsburys acted fairly in its handling of the claim.

The essence of Mr M's complaint is about the time it took for Sainsburys to resolve the dispute, so I've focussed on this when reviewing the available information.

I've reviewed the timeline of events. Mr M raised a disputed transaction claim with Sainsburys on 24 October 2022 and dispute forms were issued to him the same day, which he was asked to complete and return together with evidence to support his dispute. Sainsburys didn't receive a response and sent a chaser letter on 21 November 2022. On 16 December 2022 Mr M returned the dispute form but didn't include copies of any correspondence or other evidence to show that he'd tried to resolve matters with the merchant. In January 2023 Sainsburys decided that because there was no evidence that the goods had been returned, a chargeback wouldn't be successful and instead it considered the claim under section 75 of the Consumer Credit Act 1974. Sainsburys explained to Mr M that it needed him to provide evidence that the merchant had refused to issue a refund for the goods. Mr M logged a complaint at this time because he wasn't happy about the request for evidence.

In March/April 2023 Mr M contacted Sainsburys to complain about the length of time the claim was taking to resolve. Sainsburys explained to Mr M that it still needed evidence that the merchant had refused a refund. Mr M didn't provide the evidence, so Sainsburys tried to contact the merchant directly to obtain it but didn't receive a response.

On 1 June 2023, and despite not having any evidence that the merchant had refused to accept a return of the goods and issue a refund, Sainsburys refunded the cost of the goods.

Having considered the timeline, I appreciate that it took several months before Mr M's claim was resolved. However, having looked at what happened, I think that Mr M was in part responsible for the delay, because he didn't provide the evidence requested by Sainsburys. Section 75 is an evidence based process and Sainsburys needed to satisfy themselves that the merchant hadn't accepted a return of the goods and provided credit. Sainsburys also needed to satisfy themselves that the goods were faulty, because it's a requirement of Section 75 that there's been a breach of contract (i.e. goods not of satisfactory quality) or a misrepresentation.

I can see that Mr M provided a photo of the goods to Sainsburys and I understand that he believes this to be sufficient evidence to show that the goods were faulty. I've looked at the photo but it's too blurry to determine whether the damage was due to a manufacturing fault or due to wear and tear. Even if the photo had been clearer and had shown a manufacturing fault, Sainsburys still hadn't been provided with the other evidence it had requested. I don't think it was unreasonable for Sainsburys to request this evidence. On balance, I think it was Mr M's failure to provide the information requested which contributed to the delay here.

For the reasons I've explained, I don't think Sainsburys has made an error and I won't be asking it to do anything further.

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 M to accept or reject my decision before 6 December 2023.

Emma Davy
Ombudsman