

The complaint

Miss D complains about a chargeback claim on her account with Barclays Bank UK PLC (Barclays).

What happened

On 16 May 2022, Miss D bought some tickets for flights. Three amounts of £483.61, £379.80, and £446.05 were debited to her account. On the same day, £379.80 and £446.05 were refunded to her account.

Miss D said the amount of £483.61 was not used for the purchase of a ticket and she had to buy another one at a higher price. She lodged a chargeback claim with Barclays for a refund.

On 16 August 2022, Barclays placed a temporary credit to Miss D's account (£483.16) while the claim was investigated. On 13 September 2022, Barclays wrote to Miss D with the chargeback findings. Barclays wrote to Miss D on 2 December 2022 to say they couldn't recover the disputed amount.

On 16 December 2022, Barclays debited Miss D's account with £483.16 – this caused an overdraft of £446 debit.

Miss D complained. She said Barclays hadn't processed the claim properly and she was owed the money by the merchant – as the flight ticket hadn't been used by her. And she said that when Barclays debited her account with the amount in December, this caused an overdraft, which wasn't fair.

Barclays said they'd opened a chargeback claim to try to get the money back and written to Miss D to ask her to comment on the evidence and findings - but hadn't had a response. So – the claim was not successful and the case was closed. Miss D's account was debited with the amount.

Miss D brought her complaint to us. Our investigator looked into what had happened. She said Barclays had written to Miss D on 13 September 2022 with the evidence provided by the merchant. The letter asked for any comments that Miss D wanted to make, but she hadn't replied. So – the case was closed.

Miss D asked that an ombudsman looks at her complaint, and so it has come to me to make a final decision.

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.

The merchant chargeback scheme is a voluntary one – it doesn't mean that customers get an automatic refund by putting in a claim. Having listened to the calls to Barclays made by Miss D, I think she thought the refund would be made automatically – but that's not the case.

When a customer makes a claim, banks (including Barclays) try to obtain a refund from the merchant (the travel company in this case), and they also must follow the scheme rules (i.e. Visa or Mastercard). Each case is judged on its merits and evidence – and as I've said, there's no automatic refund.

Miss D made a claim in August 2022 – and Barclays then investigated it, getting evidence from the merchant. When that happens, Barclays placed a *temporary* credit of £483.16 to Miss D's account on 16 August 2022. The money would have to be taken back if the claim wasn't successful.

I can see that Barclays wrote to Miss D on 13 September 2022 with the merchant's findings and evidence. The letter asked for a response from Miss D within ten days, but she didn't reply or call Barclays. It's part of the chargeback process that if a customer doesn't respond, then the case is closed and the account re-debited. So here – that's what happened. The case was closed and the claim failed. And then Barclays debited Miss D's account with £483.16 on 16 December 2022. So – Barclays followed the correct process.

Miss D has said she didn't get the letter. But I listened to a call between Barclays and Miss D – when she said she was moving to a temporary address due to an injury to her hand. And on the call, Barclays' call handler changed her address in their records to the address Miss D told him – and I can see that was the address that Barclays wrote to on 2 September 2022, 13 September 2022, 2 December 2022, and 16 December 2022. Barclays have also shown us that Miss D logged into internet banking frequently during September 2022, October 2022, November 2022, and December 2022 – so she could've seen the letters that way as well.

So – I'm persuaded that Miss D had the opportunity to see the letters and reply to Barclays if she wished to do so.

Therefore, in summary, having looked at Miss D's complaint, I'm satisfied that Barclays dealt with her claim reasonably and I'm not asking them to do anything here. (**continued**)

My final decision

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 26 October 2023.

Martin Lord
Ombudsman