

The complaint

Mr H complains that he should get his money back from Barclays Bank UK PLC (“Barclays”) following items he bought with his credit card having been stolen.

What happened

In February 2024, Mr H went shopping at a supermarket (“the merchant”). He made purchases worth £337.25 and £28. He took his shopping back to his vehicle and left it in the boot whilst he ran an errand. When he returned, he found the boot open, and the shopping gone. Mr H reported the theft to the police, who he says couldn’t help and suggested he refer the matter to his bank as he had paid for the shopping by way of his Barclays credit card.

Mr H raised this matter to Barclays who advised it was unable to assist Mr H through either a chargeback or under Section 75 of the Consumer Credit Act 1974 (“Section 75 CCA”) as the goods were in Mr H’s possession when they were stolen and so the merchant was not at fault.

Mr H brought his complaint to our service. He told us he is unhappy with Barclays’ decision to decline the claim as he believes the bank should do everything it can to help him, including issue a gesture of goodwill. Mr H was also unhappy that he was given a summary resolution communication (“SRC”) when he had asked for a final response letter (“FRL”).

Our investigator reviewed the complaint and said there is no relevant code under which a chargeback can be raised if the goods have been stolen. She said that under Section 75 CCA no item that he purchased from a supermarket would have been over the threshold of £100 so a valid claim could not be made. Lastly, our investigator told Mr H that complaint handling is not an activity we cover so the £50 offered to Mr H by Barclays for this is not something this service can comment on. Our investigator concluded by saying she would not be asking Barclays to make a payment as a gesture of goodwill.

Mr H disagreed and so the complaint has been passed to me to decide.

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.

Chargeback is a voluntary scheme under which settlement disputes are resolved between card issuers and merchants, under the relevant card scheme. A card issuer will review the claim against the possible reasons for a chargeback and look at whether it would be able to make a successful claim for the customer. Card issuers do not have to submit claims and usually will only do so, if it is likely to be successful. I don’t expect them to raise a claim if there is little prospect of success.

In this particular case, Barclays did not raise a chargeback. The schemes have set chargeback reasons, and having looked at the card scheme rules, Mr H’s situation isn’t

covered. So there was no basis on which Barclays could submit a valid chargeback claim.

Section 75 of the CCA allows – in certain circumstances - for a creditor (Barclays) to be jointly and severally liable for any claim by the debtor (Mr H) of breach of contract or misrepresentation made by a supplier of goods and/or services (the merchant). Although this affords some form of protection for purchases made on credit cards, it only applies if the claim relates to any single item with a cash price of more than £100 and less than £30,000.

Even if Mr H were able to demonstrate that one or more of the items he bought from the supermarket individually cost more than £100, the circumstances he describes don't suggest he has a claim either in misrepresentation or in breach of contract. As such Barclays has done nothing wrong in declining to move forward with a claim under Section 75 CCA.

Mr H's complaint focuses on his unhappiness that Barclays has not made a gesture of goodwill payment to him, when he considers himself to be a long-standing customer who has not caused Barclays any problems. It was open to Barclays to offer this if it wished to do so. I don't consider the circumstances here suggest that I should direct Barclays to make a different decision.

I note that Barclays has offered Mr H £50 for issuing a SRC and closing his complaint when Mr H had said he was unhappy and wanted a FRL. I agree with the investigator that complaint handling is not something I have the necessary power to look into so I will leave this matter between Barclays and Mr H. Although I will say that whether Mr H received a SRC or an FRL, he had Barclays' position with regard to the complaint and was able to bring the complaint to us from that point.

Lastly, I do note that some credit cards provide protection against theft, sometimes known as purchase protection. I have not seen any information that indicates Mr H's credit card account offered this or that he purchased it as an additional add-on so I have not considered it any further.

My final decision

For the reasons I have set out above, I am not upholding Mr H's complaint about Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 23 October 2024.

Vanisha Patel
Ombudsman