

The complaint

Mr G is unhappy how Nationwide Building Society (Nationwide) handled a refund request for a payment he made using his credit card.

What happened

Mr G purchased ticket for a flight from a supplier/merchant – who I will refer to as ‘Airline’ – using his Nationwide credit card. The total cost charged to Mr G’s credit card was approximately £208 and this was charged to his credit card on 1 December 2022. This was for a flight that later was cancelled and for which Mr G tried to get back the funds from the Airline.

Mr G said that, after he was not getting a refund back for a few months from the Airline, he logged a dispute about the above credit card transaction with Nationwide. Mr G is unhappy as he feels that he has had no help from Nationwide customer service. More specifically, he said that Nationwide did not provide him with a way to attach evidence to the form he was submitting, and he said he resent the information three to four times. He also said that, despite advising Nationwide on multiple occasions that he was abroad, they still refused to accept electronic form of communication from him. He said it was only later that Nationwide advised him that electronic form of communication was possible.

Mr G is also unhappy as he said he was repeatedly asked for the same information, and he said Nationwide closed his claim even though he said he provided very clear evidence. Mr G said that, despite two complaints, he was not successful in getting his matter resolved. He said that during this time he was abroad, and he spent hours trying to fix the issue only to find out that Nationwide were looking at the wrong documentation. He said Nationwide did not acknowledge this initially. Eventually, on 27 July 2023 they acknowledged that they had not looked at the evidence. He said there was a total breakdown of communication, and it caused him a lot of stress while he was abroad. He said that he had multiple international calls lasting upwards of 40 to 50 minutes.

Nationwide said they wrote to Mr G in July 2023. In this correspondence, Nationwide said that the zip file Mr G sent to them, prevented receipt of his emails by them. They said this was due to the security measures they have in place to protect the data they hold. Also, they agreed the communication from some of their teams was poor. They said that they strive to achieve a high level of customer service and it is disappointing to hear that they have been unable to meet this level in Mr G’s case. They said they appreciate that Mr G being abroad meant he found it difficult to communicate with their team as that team operates primarily over the telephone and through letters. But they assured Mr G that his comments have been logged as feedback. Nationwide also apologised for the poor communication and said that their offer of £100 compensation was still available to him.

Mr G was not happy with Nationwide’s response, so he referred his complaint to our Service.

Since, Nationwide has also told us that they have refunded Mr G the £208 the amount for the transaction in question.

Our investigator was of the opinion that the complaint should not be upheld. The investigator was of the opinion that the £100 compensation offered was fair and reasonable considering the circumstances of this complaint.

Mr G disagreed with the investigator. 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

This decision is not about the Airline, who is not a financial service provider for the transaction in question, and so does not fall within this Service's remit. In this decision I'm only considering the question of whether Nationwide have treated Mr G fairly when considering his claim.

As Mr G used his credit card to pay for the flight in question, Nationwide had two options to pursue a refund for this – chargeback and Section 75. I understand that the disputed amount (approximately £208) has now been refunded to Mr G. Therefore, the only issue for me to decide is what impact Nationwide's handling of the claim had on Mr G, and whether the steps Nationwide took to rectify their mistakes were fair and reasonable.

Mr G has not provided our service with any evidence of direct financial loss that he has suffered due to Nationwide's actions/inactions, but I've taken into consideration what Mr G told us about how this situation made him feel and what impact it had on him when he was trying to raise and deal with his claim. In summary, he has told us that Nationwide did not provide him with a way to attach evidence to the form he was submitting, and that he had to resend information to them three to four times. He also said that, despite advising Nationwide on multiple occasions that he was abroad, they still refused to accept electronic form of communication from him. He told us how Nationwide incorrectly closed his claim, even though he said that he provided very clear evidence, and he was unhappy that it was taking several months to get everything resolved. He explained how difficult the situation was because he was abroad at the time, and he had to spend hours trying to fix the issue which caused him a lot of stress. Mr G also told us about the multiple international calls he had to make to Nationwide that lasted upwards of 40 to 50 minutes.

Using financial services is not always problem free, but I understand that Mr G believes that the £100 compensation offered by Nationwide is not enough to reflect what he has been through. So, I've taken into consideration everything he told us about the impact this situation had on him. I also considered that some of the impact was due to the unfortunate situation of making a chargeback claim, some relates to the Airline's actions, and some was also out of Nationwide's control, as their system blocked certain emails for security reasons. Overall, I am very sorry to hear about these issues and, while Mr G has my sympathy, I think the total compensation amount offered by Nationwide is not unreasonable. In conclusion, I sympathise with Mr G for the difficulties that he experienced but, taking all the circumstances of this complaint into account, I do not think Mr G has been treated unfairly.

My final decision

Nationwide Building Society has already made an offer to pay £100 to settle the complaint and I think this offer is fair considering the circumstances.

So, my decision is that Nationwide Building Society should pay £100 to Mr G if they have not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 July 2024.

Mike Kozbial
Ombudsman