

The complaint

Mrs P complain that Nationwide Building Society has not met its obligations in regard to a payment for works on her mobility scooter using her debit card.

What happened

In July 2023 Mrs P made payments on her debit card totalling £2437.50 for works on her mobility scooter (the 'Scooter' from hereon) using her Nationwide Building Society ('NBS' hereon) debit card. The first transaction was for £1,837.50, which was for four new tyres and a new motor. Mrs P then paid a further £600 to replace a leaking axle, which was discovered during the other repairs. On return of the scooter Mrs P noticed other issues and the Scooter supplier (the 'Supplier' hereon) attended and offered to take the Scooter back for repairs but Mrs P declined this offer. There was further back and forth and unhappy with the situation she found herself in Mrs P took her dispute to NBS. NBS raised a chargeback which was defended by the Supplier. The Supplier noted that the works had been done and Mrs P had acknowledged this in the documentation. It also noted that it had offered to look into the matter further but Mrs P declined this offer. So it defended the chargeback in full.

NBS considered this and decided not to take the chargeback further. Mrs P complained to it about this decision and NBS concluded it hadn't done anything wrong. So Mrs P brought this dispute to this service. Our Investigator considered that NBS had treated Mrs P fairly. However Mrs P didn't agree so this decision came 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.

I think it worth pointing out at this stage that Mrs P's fundamental issue here is the works done by the Supplier and the quality thereof. It is also worth noting that Mrs P funded these works by using a debit card which means the protections under Section 75 of the Consumer Credit Act 1974 and other legislation such as the Consumer Rights Act 2015 do not apply to her dispute with NBS. Had she used a credit card there would have been this additional avenue for this dispute. So NBS could only consider this matter under the chargeback process.

Chargeback is a straightforward dispute resolution process run by the relevant card network (not NBS). It allows for disputes to be raised with merchants by card issuers and the Merchant to either accept the dispute or provide its evidence on the matter. If an amicable conclusion cannot be reached ultimately it's the card network itself which decides the outcome of the dispute if the matter is taken forward by the Card Issuer (NBS here). So it's possible for a card issuer such as NBS to take the chargeback throughout the whole process and still not be successful in obtaining a refund having done everything correctly and fairly.

NBS' only obligations here as card issuer is to consider the dispute between Mrs P and the Supplier fairly in terms of whether to proceed with the chargeback if it feels it has a reasonable prospect of success and then to continue with the chargeback as long as it feels

there remains a reasonable prospect of success taking into account what it knows about the matter. Its duty here is to consider the matter fairly as Mrs P's card issuer and as a distinct outside party to the dispute between Mrs P and the Supplier. I note the position of NBS has been repeatedly explained to Mrs P but her arguments, to my mind, are framed as if she expects NBS to do more than what its obliged to do. I appreciate Mrs P is heavily invested in this matter both financially and based on feeling wronged by the Supplier, but that doesn't change the fact that Mrs P's fundamental dispute here is about what the Supplier did.

Here NBS raised the chargeback and the Supplier defended the matter pointing to it doing the work and Mrs P accepting it and then her refusal of the Supplier's offer to look at the Scooter again. So NBS took the position that the chargeback no longer had a reasonable prospect of success and so it didn't take the matter forward. I think it did this fairly for the following reasons.

The Supplier's offer to take the scooter away for further consideration is clearly a fair offer in the circumstances. I appreciate that taking it away would have consequences for Mrs P day to day. Nevertheless it's a fair offer and Mrs P didn't have strong evidence to show the works were unsuccessful. It is clear from the evidence the Scooter worked and the Supplier had pointed to independent evidence of it going at the speed it was meant to.

Chargeback is a voluntary scheme run by card networks. Consumers do not have a right to a chargeback and they do not control the card issuers discretion on the matter. So although Mrs P told NBS to take the chargeback further it was under no obligation to do so. Chargeback is also a scheme designed to deal with straightforward simply resolvable disputes between card users and Merchants it is not an adversarial inquisitorial process such as litigation. Once the Supplier defended the chargeback the way it did with such argument as I've described it was clearly reasonable for NBS to decide there was little prospect of success. Fundamentally this is a dispute between Mrs P and the Supplier and if she wants to take the matter forward through the Courts then she is free to do so. Nevertheless NBS has treated her fairly in consideration of its obligations here.

For the sake of completeness I'll deal with some of the other arguments made. But firstly I should reiterate this is a complaint about NBS and the majority of the arguments are not about NBS here but the Supplier. But I can only decide on what NBS did or didn't do. Mrs P talks about getting an independent report but I'm not persuaded that makes a difference considering the offer from the Supplier to help which she refused. Chargebacks have strict time limits and other pertinent rules here so I'm not persuaded NBS has treated her unfairly by not taking the matter further.

Mrs P says NBS should have investigated further but I don't agree. She'd put her case to NBS and it had raised a chargeback. The Supplier responded and that response was persuasive to my mind that the chargeback no longer had a reasonable prospect of success.

I appreciate that Mrs P has made a host of other arguments here which the Investigator dealt with in her emails dated 2 and 26 February 2024 with which I concur and having nothing further to add on those matters.

I appreciate this is a very disappointing decision for Mrs P to read. However her obvious expectations of NBS' conduct here exceed its actual obligations in the matter and this being due to Mrs P's fundamental gripe being with the Supplier. Having considered all of Mrs P's arguments and evidence provided and for the reasons given I'm not persuaded she's lost out because of how NBS has treated her. I think it treated her fairly by raising a chargeback and I don't think she's lost out due to what NBS did. Even if this matter had gone to the end of the process on balance I'm not persuaded Mrs P would have been refunded. Accordingly Mrs P's complaint is unsuccessful.

My final decision

I do not uphold this complaint against Nationwide Building Society. It has nothing further to do in this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 2 December 2024.

Rod Glyn-Thomas
Ombudsman