

The complaint

Miss M complains about the compensation that Nationwide Building Society has paid her following issues with a chargeback on her account.

What happened

Miss M made a payment of £319.99 from her Nationwide bank account for a fridge in September 2023 but, when she received it, it was broken so she returned it. The retailer refunded £19.99 to Miss M but, when she hadn't received a refund of the £300 that she was expecting, she contacted Nationwide.

Nationwide refunded £300 to Miss M's account in October 2023 and she was given incorrect information about the £19.99 refund. Nationwide then re-debited the £300 from her account in December 2023 because her chargeback dispute had been unsuccessful. That caused Miss M's account to go overdrawn which she says then meant that she couldn't hire a van to move to a new property so she had to pay an extra month's rent of £1,275.

Miss M complained to Nationwide and to this service. Nationwide credited £300 to Miss M's account and paid her further compensation of £200. It also sent Miss M a final response letter which said that she'd accepted the proposed outcome and it considered that her complaint was resolved.

Miss M complaint was then looked at by one of this service's investigators who, having considered everything, didn't think that it should be upheld. He thought that Nationwide had treated Miss M fairly by choosing to refund to her the claim costs of £300 and he was satisfied that the compensation it offered was fair.

Miss M didn't agree with the investigator's recommendation and asked for her complaint to be considered by an ombudsman. She says her complaint isn't about the dispute itself but is about the errors made by Nationwide whilst handling the dispute which then ended up costing her a lot more money. She says that she doesn't believe that compensation of £200 is sufficient when the error cost her more than six times that amount.

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.

Nationwide accepts that it made errors in dealing with Miss M's chargeback dispute and that the re-debit of £300 in December 2023 caused her account to go overdrawn. It apologised to Miss M for the poor service that she had experienced and it says that it confirmed that its understanding of her complaint was correct. Its records show that it initially offered Miss M £150 in compensation but she said that she'd been disadvantaged by its errors because she had to take time off work and incurred additional costs and because of the length of time taken to deal with the issue so she felt that £250 compensation would be more appropriate. The records show that, after further discussion and consideration of the points raised, Miss M was offered and accepted £200 in compensation.

Nationwide then sent Miss M its final response letter which said: *"As previously explained, this letter is to confirm you've accepted the proposed outcome and we now consider your complaint to be resolved"*. Miss M now says that she should receive more compensation than that.

She says that the dispute about the £300 is no longer an issue and the issue is that, had Nationwide not incorrectly debited her account, she would've been able to move when she was supposed to and wouldn't have had to pay extra rent of £1,275. She says that she doesn't think that £200 is fair compensation compared to what this incident has cost her financially and mentally.

I consider that it was fair and reasonable for Nationwide to accept that it had made errors, to apologise for its errors, to refund the payment of £300 to Miss M's account and to pay her £200 compensation. It looks to me as though Miss M accepted the offer of £200 compensation from Nationwide.

I'm not persuaded that it would be fair or reasonable in these circumstances for me to hold Nationwide responsible for what happened in December 2023 when Miss M says that she couldn't hire a van to move to a new property so she had to pay an extra month's rent of £1,275. I appreciate that this will be disappointing for Miss M, but I find that it wouldn't be fair or reasonable for me to require Nationwide to pay any further compensation to her or to take any other action in response to her complaint.

My final decision

My decision is that I don't uphold Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 12 November 2024.

Jarrold Hastings
Ombudsman