

## **The complaint**

Mr L complains that Lloyds Bank PLC mishandled his request that it recover money paid for work done on his house.

## **What happened**

Mr L was concerned about the state of his roof since a neighbour had encountered issues with his. He used a website that recommended three roofers. The first said there was no problem, but the second did identify that repairs would be needed. Mr L believes that this roofer's workmen damaged the roof when they were inspecting it, but he has no evidence that this occurred. He has explained that he felt pressurised and only agreed when the roofer returned with a reduced quote.

The work was done and Mr L says he was charged more than he had been told initially. That said, the increased sum was then discounted. He made three payments, two via the faster payments regime and a third using his Visa debit card.

He contacted the Lloyds and asked that it recover his money. He spoke with staff at a local branch who he said gave him hope that his claim would be successful and also with the card disputes team. Mr L has also told us that he contacted the police, but no further action was taken. Lloyds said it was unable to assist and so he brought a complaint to this service.

It was considered by one of our investigators who didn't recommend it be upheld. He said that the two payments made via the faster payment regime could only be considered under the Contingent Reimbursement Model Code (CRM Code). This covers scams, but Mr L had been unable to provide sufficient evidence that he was the victim of a scam. The work had been done and there were no issues with the quality of the repairs. The third payment made by debit card could have been challenged under the chargeback scheme. However, he didn't think there was a route by which a chargeback could have been made.

Mr L asked that the complaint be considered by an ombudsman.

## **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 have every sympathy with Mr L, but I do not consider I can uphold his complaint. I will explain why.

Mr L has suggested that he recognises that the first two payments may not be covered by the CRM Code. I regret to say that I agree. The CRM Code does not apply to private civil disputes, such as where a customer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.

The roofer was registered with a trade body, though I gather that is no longer the case.

However, it appears that the roofer was a legitimate business. Mr L sought out the roofer and asked for a quote which was provided and which he accepted. This is not a case of cold calling from an unscrupulous trader. Mr L wanted a service and after accepting a quote he agreed to have the work done.

I accept that he believes that the roofer caused damage to the roof while he and his men were inspecting it. I have some sympathy with that, but I can understand why Lloyds felt unable to accept the claim without some evidence.

I have to consider was it fair and reasonable for Lloyds to conclude that Mr L had no claim under CRM Code. He was seeking a significant sum of money and Lloyds wished to be satisfied that it should pay him. Without clear supporting evidence I think it was not unreasonable for Lloyds to have declined the request.

The third payment was made by debit card and it could be challenged using the chargeback regime. Chargeback is a process that is provided by the Card Scheme - in this case MasterCard. It allows customers to ask for a transaction to be reversed if there's a problem with the goods or services they've paid for. There's no automatic right to a chargeback. Nor is chargeback a guaranteed method of getting a refund. MasterCard checks the nature of the problem against the possible chargeback reasons to see whether the claim will be successful. If the bank feels that a claim won't be successful, they don't have to raise a chargeback.

There are rules set down by the Card Scheme and the bank is not obliged to raise a chargeback if it doesn't consider it has a chance of success. The process is codified and the bank would have to identify a code which met the circumstances in which Mr L found himself. I agree with our investigator that the service was provided and there is no issue with the quality of the work. That means I do not consider there was a means of Lloyds successfully pursuing a chargeback and so I cannot say it was wrong in its decision.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 26 November 2024.

Ivor Graham  
**Ombudsman**