

The complaint

Miss Q complains that Nationwide Building Society won't refund to her the money that she paid for a mobile phone.

What happened

Miss Q paid £949.99 from her Nationwide bank account to buy a mobile phone on an online marketplace in November 2023. She made a disputed transaction claim to Nationwide in December 2023 in which she said that the seller didn't send the phone to her and wouldn't refund her. Nationwide sent a final response letter to Miss Q in February 2024. It said that the dispute investigation process had been followed correctly and only one chargeback attempt can be made per transaction.

Miss Q wasn't satisfied with its response so complained to this service. Her complaint was looked at by one of this service's investigators who, having considered everything, didn't think that it should be upheld as she didn't think that Nationwide had acted unfairly. She said that it raised a chargeback but it was defended by the merchant. She said that Miss Q received additional evidence about six weeks later to support her claim that the phone hadn't been delivered but it was too late for Nationwide to appeal the outcome of the chargeback and a further chargeback claim wasn't permitted.

Miss Q didn't agree with the investigator's recommendation and asked for her complaint to be considered by an ombudsman. She says that the recommendation isn't fair as she's been made to go round and round in circles for months by Nationwide and it refused to take any responsibility once her case was escalated. She says that she's suffered a lot because of Nationwide and it didn't follow the process correctly as it didn't look at the evidence that she sent it but rather the evidence that was sent to it by the online marketplace.

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.

If a consumer disputes a card payment, the card issuer may be able to make a chargeback claim to the merchant under the relevant card scheme to try to settle the dispute. There's no right for a consumer to require that a chargeback claim be made and the applicable scheme rules set out the disputes that can be considered and the time limits for making a claim. But if the right to make a chargeback claim exists under the applicable scheme rules, and if there's a reasonable prospect of success, I consider it to be good practice for a chargeback claim to be made.

Miss Q made a disputed transaction claim to Nationwide in December 2023 in which she said that the seller didn't send the phone to her and wouldn't refund her. Nationwide made a chargeback claim but it was defended by the online marketplace. The online marketplace said the shipper had provided evidence to show that the phone had been delivered and signed for so it had been received by Miss Q.

I consider that Nationwide acted correctly by making a chargeback claim and that it was fair and reasonable for it not to take any further action when the claim was defended. Miss Q then received a text message from the shipper which said that it had checked the GPS data which confirmed that the phone wasn't delivered to the intended address and it was sorry for that. Miss Q provided that information to Nationwide but it said that the dispute investigation process had been followed correctly and only one chargeback attempt can be made per transaction.

I can understand Miss Q's annoyance and frustration that she's paid £949.99 for a phone that she hasn't received, but the additional evidence from the shipper was received after the chargeback claim had been closed and Nationwide can't make another chargeback claim for the same transaction. I'm not persuaded that there's enough evidence to show that Nationwide has acted incorrectly in connection with the transaction that was disputed by Miss Q. I appreciate that this will be disappointing for her, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Nationwide to refund £949.99 to Miss Q or to take any other action in response to her complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Q to accept or reject my decision before 10 December 2024.

Jarrold Hastings
Ombudsman