

## **The complaint**

Ms B complained about the way National Westminster Bank Public Limited Company (NatWest) dealt with a claim for a refund for services she'd paid for using her debit card.

## **What happened**

Ms B booked a package holiday through an online travel website I'll call E, to travel at the end of August 2024. She said she paid around £7,000 using her NatWest debit card, for flights and accommodation at two different hotels, with two rooms at each of the hotels for a total of five people.

When she stayed at the second hotel Ms B was unhappy that there was building work noise during the night. She said she complained to the hotel reception, but said she was told the hotel was fully booked, so the whole party had to stay in the other room that was booked for the rest of the stay. After Ms B returned from her holiday, she called NatWest to raise a chargeback claim as she wanted the cost of one of the rooms to be refunded, around £1,600. She provided an email she said she sent to the hotel saying she was woken up in the middle of the night and a video of some building works, as evidence of the problems she had. NatWest reviewed the information and told her it didn't agree to raise a chargeback as it didn't think there was sufficient evidence to do so.

Ms B complained about NatWest's position on the chargeback and felt that it was accusing her of raising fraudulent claims in its communication with her. NatWest didn't think it made an error in regard to the chargeback but paid Ms B £20 compensation for the time taken to log the issue. NatWest explained it wrote to Ms B because there were an unusually high number of chargebacks raised on her account. It wanted to inform her that in order to raise a chargeback claim Ms B needed to ensure she had contacted the merchant and explored all avenues and when raising a chargeback, it asked her to provide full supporting evidence.

Ms B referred her complaint to the Financial Ombudsman. An Investigator reviewed the complaint but didn't think NatWest acted unfairly. He said he thought it was reasonable for NatWest to think the chargeback didn't have reasonable prospect of success based on the information Ms B submitted to it. He thought the £20 NatWest paid was fair for the time Ms B was on the phone.

Ms B didn't agree and said NatWest didn't act in line with a number of rules and regulations and explained the impact of the issues she had with the hotel and NatWest on both her and her family.

We've recently asked Ms B for additional information. She provided a copy of the invoice from E and said she didn't use the room she stayed in.

As the matter has remained unresolved it has been passed to me for decision.

## **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 incomplete or contradictory, I reach my view on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

I've reviewed and carefully considered the entire file, acknowledging that Ms B has raised several different points of complaint. I've focused my response on what I believe is most relevant to the matter at hand. If I've not addressed a specific point, it's not because I've overlooked it or failed to consider it, but because I don't believe it's necessary to comment on it in order to arrive at what I believe is a fair outcome. Our rules allow me to take this approach.

Ms B has referred to Section 75 of the Consumer Credit Act 1974. However, from what I can see, Ms B paid E using her debit card, so the statutory protections available under Section 75 for purchases made on credit don't apply here. Ms B paid using her debit card and authorised the transactions so the only recourse for NatWest helping her getting her money back was through the chargeback process.

I'm considering NatWest's responsibilities as the finance provider and the actions it took in considering Ms B's chargeback. It's important to note, I'm not considering a complaint against E or the hotel.

### **Chargeback**

Chargeback is based on the relevant card scheme rules. In this case it's the Mastercard scheme rules. A card issuer can attempt a chargeback on behalf of a cardholder where they dispute a transaction with a merchant, if they meet the criteria of the rules. A chargeback is not guaranteed to succeed and a card issuer does not have to raise one.

However, it would be considered good practice for a bank to pursue a chargeback where there is a reasonable prospect of success. Although not all circumstances where something has gone wrong with the merchant, will mean the claim is successful. NatWest didn't progress the chargeback claim because it didn't think there was a reasonable prospect of success, and I don't think based on the circumstances it acted unfairly. I'll explain why.

The most relevant chargeback condition would have been "goods or services were either not as described or defective". In order for NatWest to have raised a chargeback under this condition, Ms B would have needed to show she contacted E or attempted to contact E to resolve the dispute and E refused to adjust the price, repair or replace the goods or other things of value or issue a credit.

Ms B needed to provide evidence to show that the room didn't meet the expectations or description and was unreasonably noisy which demonstrated that the services were defective or not as described. I appreciate this may have been difficult for Ms B to provide. Ms B has provided a screenshot of an email she said she sent to the hotel. She wrote to explain that she was woken in the middle of the night by builders banging and drilling from 2am. I understand Ms B has sent this to show that she emailed the hotel about the inconvenience caused to her, however the screenshot provided doesn't show the email address it was sent to and appears to be on the last date that Ms B was staying at the hotel. So I can't say for certainty this was received by the hotel and if it did, what happened next. I can also see Ms B provided a video which shows there was building work going on and noise. But I think it's difficult to determine when this happened and the exact location. Because of the evidential challenges, I don't think the video and email, in isolation, do enough to show the overall service was defective or not as described.

Ms B said she complained to the hotel reception and stayed in the other room which was booked. She has claimed she didn't use the original room she was allocated and wanted a refund because of this. However, I'm not persuaded the evidence Ms B provided demonstrated what was discussed with the hotel, the issues with the room, and that the hotel refused to help. There's also no evidence that Ms B contacted E and it accepted the services weren't as described or that the room was defective, or that it "refused to adjust the price, repair or replace the goods or other things of value or issue a credit" which is one of the chargeback conditions. I don't think the information NatWest had been provided met the requirements under the condition "goods or services were either not as described or defective". So, I don't think NatWest acted unfairly by not raising a chargeback.

Additionally, I think it would be difficult for NatWest to have raised a chargeback for a partial refund without knowing what amount Ms B paid for the room she said she didn't utilise, and I can't see she provided any evidence to support this. As I don't think NatWest acted unfairly in the handling of her chargeback, I won't be asking it to do anything more regarding this.

I've also thought about if there were any other conditions NatWest could have used to raise a chargeback, but I don't think any of these would have resulted in a different outcome.

I've noted Ms B's concerns about NatWest informing her that it wouldn't progress chargeback claims without supporting evidence. She felt this was due to previous claims she had made and interpreted that the communication indirectly suggested that she was being fraudulent.

NatWest has explained why it sent the email to Ms B. It said this was due to the way its systems are set up – communications are automatically triggered once a number of claims are made. It apologised if the tone of the message came across as accusatory, as this wasn't its intention. NatWest said it will need to consider each claim individually. and requires Ms B to provide supporting information. I don't think this is unreasonable given that usually the chargeback rules require the cardholder to try and resolve the dispute with the merchant first. Additionally, I don't think NatWest has acted unfairly, as it only has one opportunity to submit evidence to raise a chargeback, so it must ensure the evidence is accurate and complete.

For the circumstances of this complaint, NatWest paid Ms B £20 for the time she spent raising the chargeback on the phone. I think this was fair and I don't think it needs to do anything more.

I can see Ms B feels strongly about this matter, and I'm sorry she didn't have the experience she'd hoped for, especially as she was celebrating a milestone birthday. However, based on the information presented to NatWest I don't think there is enough evidence to show the way it handled the chargeback or its decision to refer to future chargebacks was unfair.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 25 July 2025.

Amina Rashid  
**Ombudsman**

