

## **The complaint**

Mr J is unhappy with how National Westminster Bank Public Limited Company ("NatWest") handled his claim for a refund.

## **What happened**

In January 2024, Mr J purchased a tent from a supplier I shall call "E". He paid for his purchase using his NatWest credit card.

Mr J noticed in the following month that the tent was slack and there was moisture entering which he considered was due to the goods being faulty. He tried to address this with E, however they felt that this was a maintenance issue rather than an issue with the quality of the product.

Mr J didn't agree and felt the tent was of a poor quality. As the matter wasn't satisfactorily addressed by E, Mr J contacted NatWest to raise a chargeback claim against E and a Section 75 (S75) claim under the Consumer Credit Act 1974 (CCA) against NatWest.

NatWest considered the chargeback claim and progressed it to arbitration where it was found in E's favour. They also considered the S75 claim and said there was insufficient evidence of a breach of contract here regarding the goods being of an unsatisfactory quality.

Mr J didn't agree and brought his complaint to this service. He also said he was unhappy with NatWest's handling of his chargeback claim and that he was misadvised regarding the temporarily refunded funds which he thought he'd be able to keep as NatWest's deadline for a subsequent re-debit had passed. He also felt his claim should've been considered under S75 sooner rather than waiting for the chargeback claim to elapse.

Our investigator looked at the complaint and concluded that as the chargeback claim had been progressed to arbitration and had been declined by the card issuer, there wasn't anything further that NatWest could've done. They also agreed there was insufficient evidence for a successful S75 claim.

In terms of the claims administration, while they didn't agree that the S75 claim should've been progressed earlier, they did think NatWest should've kept Mr J appropriately updated to the progress of the chargeback claim, especially as they didn't meet their own deadlines for when Mr J could consider he could keep the temporarily refunded funds.

NatWest initially offered £100 to address what'd happened but agreed to the investigator's view that this should be increased to £200 for the lack of communication and the resultant impact on Mr J.

Mr J remained dissatisfied with our investigator's view and still felt his S75 claim should've been progressed earlier. In addition he still felt the goods purchased weren't of a satisfactory quality and therefore didn't think his S75 claim had been resolved appropriately. He therefore asked for an ombudsman to provide a final decision on the matter.

## **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've read and considered the evidence submitted by the parties but won't comment on it all – only the matters I consider to be central to this complaint. This isn't intended as a discourtesy but reflects my role in resolving disputes informally.

It's important to note that NatWest aren't the provider of the goods here – so in deciding what is fair and reasonable, I'm looking at their particular role as a provider of financial services. In doing so I note that because Mr J paid for this transaction using a credit card, both a chargeback and a S75 claim could possibly help him. So in deciding what is fair and reasonable I've focussed on this.

### ***Chargeback***

There is no requirement for NatWest to raise a chargeback, but it's often good practice to do so. However, a chargeback isn't guaranteed to succeed and is governed by the limitations of the particular card scheme rules (in this case MasterCard). I've considered the relevant chargeback rules in deciding whether NatWest acted fairly.

The relevant chargeback reason code here would be 'Goods or Services were Either not as Described or Defective' as Mr J said that the tent purchased wasn't of a reasonable quality.

I understand NatWest progressed the chargeback as far as they could after they weren't satisfied with submissions from E and to arbitration with a final decision from the card issuer. However it was determined there was insufficient evidence to show the goods weren't as described or defective and so Mastercard found in favour of E.

Therefore I don't think NatWest could've done more regarding the progression of the chargeback claim itself or the outcome. I note there are other issues with the administration of the claim which I'll now address.

### ***Administration of the Chargeback claim***

I understand NatWest sent a letter to Mr J on 19 March 2024 after the chargeback claim was raised indicating that if they didn't update him by 7 June 2024, he'd be able to keep the refund of the purchase costs which had been temporarily placed back into his account during the chargeback process.

However he didn't hear back from NatWest until 2 September 2024 when he was informed that the claim hadn't succeeded at arbitration and therefore the costs of the purchased goods would be debited again in four days. Mr J said that this was short notice regarding the funds being taken again, and in addition NatWest had also indicated he'd be able to keep the funds if not updated by their deadline.

NatWest admitted they'd failed to keep him updated on the claim progress and due to the impact on Mr J being told the chargeback claim had failed months after their own deadline had elapsed, they offered £100 compensation to put things right.

Our investigator considered this wasn't enough and asked NatWest to offer an additional £100 which they agreed to. With mind to the fact that awards for distress and inconvenience aren't an exact science, I do think this increased amount is reasonable as Mr J wouldn't have expected this news months later after considering his claim had succeeded, and in addition that those same funds would be taken within four days of notification which is very short notice.

Lastly I note in Mr J's submissions to our service that there was an additional issue regarding his interactions with NatWest in September 2024. He says he was initially told he wouldn't be charged interest for the purchase costs being re-debited but then this advice changed and he was told it would be applied if not paid by the 11 December 2024. While I don't have any more information regarding this, I don't think this complaint was raised with NatWest prior to this service's involvement and so I won't be addressing this further here.

### ***Progressing the Chargeback claim before the S75 claim***

Mr J has also expressed concerns with the way his claims were looked at and particularly the fact the chargeback claim was progressed first. This did take some time and he said that as S75 was a remedy open to him, it should've been looked at earlier.

While I appreciate Mr J's position, I don't think the chargeback claim here unduly delayed the S75 outcome as it also involved gathering and consideration of evidence supplied by both Mr J and E, which would've then been relevant to a subsequent S75 claim. In this case as NatWest remained dissatisfied with E's submissions, it was progressed to arbitration.

While the arbitration failed and Mastercard didn't agree there was sufficient evidence to support a successful chargeback claim, this same evidence would've then been a part of the considerations under S75 and its specific requirements.

I must also add that a chargeback claim puts the onus of a refund on the merchant while NatWest themselves would be held liable under a S75 claim so it would be reasonable for the former to be explored first. As I don't think this unduly delayed the S75 claim here for the reasons explained above, I don't think NatWest did anything wrong.

### ***S75***

S75 provides that in certain circumstances the borrower under a credit agreement has an equal right to claim against the credit provider if there is either a breach of contract or misrepresentation by the supplier of goods and services.

S75 has certain technical requirements for there to be a valid claim. I'm satisfied those are in place here. So, in considering how NatWest responded to Mr J's claim, I've gone on to consider if there is a likely breach of contract or misrepresentation by the supplier which NatWest is responsible for putting right.

Regarding this, I don't think the focus of Mr J's claim is misrepresentation – but breach of contract relating to the quality of the goods. So I don't think it necessary to consider misrepresentation in any depth here.

Mr J has purchased the goods from E who is a supplier. The law implies certain terms into a contract of sale in these circumstances. In particular, the Consumer Rights Act 2015 (CRA) implies certain terms into the contract regarding goods supplied being of a satisfactory quality.

The CRA says aspects of the quality of goods and whether they are satisfactory includes their general state and condition alongside other things such as their fitness for purpose as well as durability.

In this case I note there is limited information available regarding the quality of the tent itself. I see Mr J has submitted several photos to this service and much like our investigator I'm not able to ascertain any specific defects with the tent within those images. I can see the rain penetrating the tent but there are other considerations which I've gone into below.

I've carefully considered everything which Mr J has said about why he believes the tent is defective. He says it was raining constantly in the days prior to his complaint but felt that the water pooling was further exacerbated by slackness at the sides of the tent. He also mentioned that the Velcro straps at the side of the tent were loose and this would shorten the life of the canvas. He felt that if the canvas could be attached directly to the side poles it would assist with the looser sides of the tent.

I've had a look at E's site to consider the description of the goods purchased (and while I see the item has been referred to as a tent generally, Mr J's invoice does refer to it as a car cover and E has referred to this as a collapsible tent for cars). I see there is a section under their terms and conditions for damaged or defective products for which a claim form could be completed. I appreciate though that E in this case didn't consider that there was an issue with the goods after Mr J's correspondence and photo submissions to them shortly after purchase.

I've also had a look at the car cover section of B's site and note there is safety advice for this type of item:

*"Your tent is intended as a temporary form of coverage. It is to be used on an occasional and non-permanent basis only".*

It also says:

*"When it rains, a risk emerges that water pile up on the roof of your tent and causes the tent to collapse. It is your responsibility to keep the roof cover free of water. Be sure that it is fully extended and please remove standing water that builds up during rainfall".*

With this in mind and the fact the tent was exposed to regular rainfall prior, this would mean that if the rainfall wasn't constantly removed and the tent not used on a temporary basis, this deviation could then result in the product not working as intended. This wouldn't mean however that the product wasn't of satisfactory quality but more than it wouldn't be able to function under those conditions without the required maintenance.

After consideration of the available evidence, while I appreciate Mr J's photographs and testimony, I'm not persuaded he was supplied with goods which weren't of a satisfactory quality, either at the point of supply or on the grounds of it being sufficiently durable. As a result I cannot fairly require further action from NatWest regarding the S75 claim.

**My final decision**

I direct National Westminster Bank Public Limited Company to:

- Pay Mr J £200 for the distress and inconvenience caused by this matter less any sums already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 3 July 2025.

Viral Patel  
**Ombudsman**