

The complaint

Miss B is unhappy that Nationwide Building Society did not obtain a refund for a payment made using her Nationwide debit card.

What happened

I issued a provisional decision about this complaint on 9 June 2025, which set out the background to the complaint:

“Miss B booked a holiday with a firm I’ll refer to as ‘L’ - she paid for the holiday over two payments, both made using her debit card.

Miss B was due to travel at the end of March 2024. But the day before she was supposed to fly, Miss B was taken ill. Miss B contacted L to cancel her holiday, but L told Miss B she couldn’t cancel her booking because she was due to depart within the next five days. L told Miss B she’d only receive a partial refund of her flights.

In April 2024, Miss B contacted Nationwide to dispute the payments she made to L for her holiday. Nationwide asked Miss B for more information about her claim and explained it could only raise a chargeback within 120 days of the date Miss B expected to receive the service she paid for.

Miss B responded with a copy of her online chat history with L, which showed her request to cancel her holiday. Miss B provided evidence to show she attended hospital the day before she was due to travel. Miss B told Nationwide she had also attached a copy of her booking confirmation but it didn’t appear to be attached to the email.

Miss B got back in touch with Nationwide in September 2024. Miss B was unhappy Nationwide hadn’t obtained a refund for her, so she complained.

In response to Miss B’s complaint, Nationwide said it hadn’t received the information Miss B sent in April – it only heard from her in September. Nationwide’s agent added she had spoken to its disputes team, who said it cannot go against L’s terms and conditions.

Unhappy with this response, Miss B referred her complaint to our service. In her initial call to our service, Miss B told our service she’d received a refund for her accommodation costs but not her flights. Miss B sent proof she emailed Nationwide her evidence. Our Investigator said a chargeback would likely not have succeeded as the terms and conditions of Miss B’s booking with L did not show she was entitled to a refund. Miss B disagreed, so this has come to me for a decision.”

I then set out my provisional findings:

“I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

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Having done so, it's clear Miss B was unwell before her holiday and I'm sorry she was unable to travel as planned. I note Miss B has told our service she received a refund of her accommodation costs. So, my role here is limited to deciding whether Nationwide could have done more to help Miss B obtain a refund for her flights from L.

Chargeback is a way in which payment disputes are resolved between card issuers and merchants. They are dealt with under the relevant card scheme rules (in this case, it's VISA's scheme).

In certain circumstances, chargeback provides a way for Nationwide to ask for a payment for Miss B made to be refunded. Those circumstances include where a customer was entitled to receive a refund after cancelling services. It is good practice to raise a chargeback if it has a reasonable prospect of success.

The deadline for raising a chargeback has now passed. However, I'm satisfied Miss B did respond to Nationwide in April 2024 – she has provided us with a copy of the email she sent Nationwide, and our Investigator has also provided this proof to Nationwide. Nationwide should, therefore, have considered whether a chargeback would have a reasonable prospect of success.

Having reviewed VISA's rules, I think it's likely Nationwide would have considered raising a chargeback for a "cancelled merchandise/services". For a chargeback to be successful on this ground, it must be shown that Miss B cancelled the service, that L did not offer a refund and that L failed to properly disclose or apply a limited cancellation policy.

It doesn't appear that Miss B has provided her booking confirmation or a copy of the terms and conditions of her booking. I note that L's online terms and conditions say that by making a booking, the customer agrees they have read the terms and accept them. Overall, I think it's likely L properly disclosed its cancellation policy, which is included in its terms and conditions.

L's cancellation policy says all transfers and flights are non-refundable from booking, although there is a communication from L to Miss B that suggests she may have received a partial refund of her flight. So, I don't think there's any evidence to show Miss B is entitled to any further refund for flights or transfers.

L's website says that if a customer would like to cancel a booking because of a medical issue and would prefer to speak to someone over the phone, they can do so. But there is nothing on the website that says a customer is entitled to a full or partial refund if they cancel their holiday because of a medical emergency.

L's terms and conditions do allow for a cancellation of package holidays with a full refund for unavoidable and extraordinary circumstances. For completeness, I have assumed Miss B did book a package holiday but, in any event, I don't think this term would apply to Miss B's situation. The terms say:

"In relation to Package bookings only...you shall have the right to cancel your booking before the start of the Package without paying any cancellation charge in the event of unavoidable and extraordinary circumstances ...occurring at the place of destination or its immediate vicinity and we have confirmed to you that they will significantly affect the performance of the Package, or they significantly affect the carriage of passengers to the destination."

Examples of unavoidable and extraordinary circumstance set out in the terms and conditions

include warfare, nuclear disaster and natural disasters.

Miss B has provided a letter that confirms she attended hospital the day before she travelled. The medical evidence says Miss B had chest pains the day before she travelled. While I understand why Miss B didn't want to travel in the situation, this wouldn't be a situation covered by the cancellation terms set out above.

In conclusion, I don't think Miss B provided Nationwide with evidence to show she was entitled to any further refund from L. So, if Nationwide had reviewed Miss B's evidence in April 2024, I think it would likely have decided not to raise a chargeback because it had no reasonable prospect of success.

However, as I think it's like Nationwide did receive the information it had requested from Miss B in April 2024, I think it should have responded to her at this time. Even though I think it's unlikely a chargeback would have been successful, Miss B was put to some inconvenience chasing Nationwide for an answer. However, I would reasonably have expected Miss B to chase Nationwide for a response sooner than September 2024 if this issue was causing her significant worry. In the circumstances, I think Nationwide should pay Miss B £100 to apologise for any trouble and upset caused by failing to respond to her in April 2024.

Putting things right

Nationwide should pay Miss B £100 compensation for not responding to her in April 2024."

Neither party responded to my provisional 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.

As neither party disagreed with the recommendation set out in my provisional decision, I see no reason to depart from the findings set out above.

Putting things right

Nationwide should pay Miss B £100 compensation for not responding to her in April 2024.

My final decision

For the reasons set out above and in my provisional decision, I uphold this complaint and require Nationwide Building Society to pay Miss B £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 21 July 2025.

Victoria Blackwood
Ombudsman