

The complaint

Mr T is unhappy with the way Nationwide Building Society dealt with a dispute he raised for a payment he made using his debit card.

What happened

Mr T bought several items from an online retailer I'll call M in June 2024. He paid £1,385.40 including delivery using his debit card. The items were delivered the next day in three packages. Mr T said that one of the packages delivered was damaged and there were 10 items missing. These totalled £714.93.

Mr T raised this with M and sent pictures of the damaged parcel, but he didn't receive a resolution. He then raised a chargeback dispute with Nationwide for "Merchandise/Services Not Received".

Nationwide applied a temporary credit to Mr T's account and processed a chargeback dispute. The chargeback was defended by M; it provided a picture and details to show the parcels were delivered to Mr T's address undamaged. Nationwide didn't progress the chargeback and re-debited Mr T's account. It sent Mr T a letter to explain the outcome. Mr T said he didn't receive this letter and was expecting emails as his preferred method of communication. He was unhappy his dispute was declined, and said his account was debited without his consent.

Mr T referred his complaint to our service. An Investigator reviewed the evidence and said that he didn't think Nationwide acted unfairly in its decision not to pursue the chargeback. However, he thought Nationwide could have been clearer and explained the way the outcome would have been communicated with Mr T and recommended it pay Mr T £50 compensation for this.

Nationwide agreed to the Investigator's assessment and said it would pay Mr T £50 compensation. Mr T didn't agree. He was unhappy that he paid for items and didn't receive these and wanted a refund for the amount he paid.

As the complaint remains unresolved it's been passed to me for a 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.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr T and Nationwide that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Chargeback

Mr T paid using his debit card, so the only recourse Nationwide had to help him get a refund was through the chargeback process.

Chargeback is based on the relevant card scheme rules. In this case it's the Visa scheme. A card issuer can attempt a chargeback on behalf of a cardholder where they dispute a transaction with a merchant, if it meets 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 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.

I appreciate Mr T's strength of feeling and understand that he feels that he has lost out because he paid for items which he didn't receive from M. However, I'm not considering a complaint against M, but rather I'm looking at Nationwide as the financial services provider and considering if Nationwide has acted fairly and reasonably in the way it handled Mr T's request for help getting his money back.

Nationwide raised a chargeback and decided not to progress it further having considered the defences from M as it didn't think there was a reasonable prospect of success. I appreciate this answer will come as a disappointment to Mr T, but I think Nationwide was reasonable in making this decision. I'll explain why.

The most relevant chargeback condition in this case would be "Merchandise/Services Not Received". The chargeback was defended by M on the basis that it sent the package, and it was delivered undamaged. It provided evidence to show the delivery was tracked and delivered to Mr T's address and a picture of all three packages seemingly undamaged.

Nationwide raised a chargeback, and I think it acted fairly by doing so. It amended the amount disputed when Mr T clarified that he was only disputing the items he didn't receive. This was re-presented as part of the chargeback at pre-arbitration. M defended the claim on the basis that it showed the packages were delivered to Mr T's address.

I understand Mr T is unhappy that the packages weren't signed for and he said that they were delivered to a private residential address on his drive, but he wasn't home when they were delivered. As part of the chargeback process Nationwide requested additional evidence from Mr T to clarify his position. Mr T provided proof of his contact with M and photos of one damaged package. M, however, supplied delivery records and photographs proving that the packages arrived at Mr T's address. There is no evidence in the order confirmation that the delivery method required a signature, and the available proof shows that M delivered the packages as agreed.

I don't think it's reasonable to expect Nationwide to determine precisely what happened to the packages after they were delivered. The evidence supports that delivery occurred as expected, and there is no compelling proof to contradict M's position. Therefore, I consider it reasonable for Nationwide to conclude that there was a valid defence to the chargeback, and I think it was fair in its decision not to pursue the chargeback any further and therefore re-debiting the temporary credit it made to Mr T's account.

Claim handling

Mr T said he is unhappy that he wasn't notified that Nationwide would re-debit the temporary credit from his account. Nationwide explained that as Mr T raised his dispute over the

telephone, it sent the outcome of the chargeback by post. Its process is to communicate in line with the customer's chosen channel if the dispute is raised via its app. Our investigator recommended Nationwide pay £50 to recognise that it could have been clearer about how the outcome would have been communicated to Mr T.

Having reviewed the evidence, I don't think Nationwide acted unfairly in deciding not to pursue the chargeback further, nor do I think the way it communicated the outcome materially affected Mr T's dispute. In my view, it was reasonable for Nationwide to re-debit the temporary credit once it decided to close the claim.

That said, I accept sending the outcome by post rather than by email, in line with Mr T's preference, may have caused Mr T some avoidable confusion and inconvenience. To recognise this, Nationwide has agreed to pay Mr T £50 compensation, which I consider to be a fair resolution in the circumstances.

My final decision

For the reasons I've set out above, I partly uphold this complaint and direct Nationwide Building Society to pay Mr T £50 compensation if it hasn't done so already. I make no other award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 September 2025.

Amina Rashid
Ombudsman