

The complaint

Miss A has complained about the way National Westminster Bank Public Limited Company (NatWest) dealt with a claim for money back in relation to a purchase she'd made using her debit card.

What happened

The circumstances of the complaint are well known so I won't go over everything again in detail. But to summarise, Miss A said she used her NatWest debit card in September 2024 to pay a supplier I'll call D for services. Miss A paid D around £1,995.

Miss A said the services were a course of aesthetic facial and tightening treatments. She said she got an infection after the first treatment and received medical advice not to continue, and the treatment was much more painful than she was told. She decided not to continue with the treatment. She contacted NatWest to enquire about a refund.

NatWest said that Miss A had enquired about raising a dispute and was given incorrect information. It said that although incorrect information had been given there was a later call where the correct information had been given, and Miss A did not raise the dispute in time. It said it was no longer able to raise the chargeback dispute.

Miss A referred her complaint to our service. An investigator looked into the complaint. He said that NatWest had made an error and given Miss A incorrect information about when she could make the claim. But ultimately NatWest were correct in concluding the chargeback had been brought out of time. And even if Miss A had been able to pursue the claim it didn't mean that it would have been successful. However, he thought that NatWest ought to pay £100 compensation for the incorrect information it gave.

NatWest agreed to pay the compensation the investigator recommended. But Miss A didn't agree. In summary she said:

- The compensation wasn't fair as NatWest's error caused her to be unable to raise the claim.
- She'd been told by NatWest that she'd provided enough information to be eligible to make the claim.
- She was unhappy that another investigator had given a different opinion that she might have had a successful claim.

The complaint has been passed to me to make 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 Miss A and NatWest 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.

I also want to say I'm very sorry to hear that Miss A was unhappy with the services and she suffered side effects which needed hospital treatment. I appreciate it cost a significant sum, and I can't imagine how this made her feel, but thank her for bringing her complaint.

I need to consider whether NatWest – as a provider of financial services – has acted fairly and reasonably in the way it handled Miss A's request for a refund. I have to make the distinction between the financial services provider (NatWest) and the supplier (D) here as we can't look directly at what happened with D. I've gone on to think about the specific card protections that are available. In situations like this, NatWest can consider raising a chargeback.

Chargeback allows for a refund of the money paid with a credit or debit card in certain situations, such as when goods or services have been paid for and not received. Chargeback isn't a legal right or a statutory protection which means there isn't an automatic right to get a refund from the card provider. I would expect a card provider to attempt a chargeback if there was a reasonable prospect of success. This is determined by the claim being in line with the rules of the card scheme to which the card belongs.

While it's good practice for a card issuer to attempt to chargeback where certain conditions are met and there's some prospect of success; there are grounds or dispute conditions set by the relevant card scheme that need to be considered. If these are not met, a chargeback is unlikely to succeed. And something going wrong with a supplier won't always lead to a successful claim. NatWest said it was unable to submit the chargeback because it was out of time.

I've looked at the relevant rules from the card scheme. In order for NatWest to raise a chargeback for "Goods or services Were Either Not as Described or Defective" it would have had to do so within the strict timescales laid down by the card scheme. This is *Within 120-calendar days from when the services ceased with a maximum of 540-calendar days from the transaction settlement date for issues of interruption of ongoing services.*

The transaction to D was on 15 September 2024. Miss A initially raised the dispute in time, but decided to withdraw it as she was seeking advice. The claim was closed on 30 December 2024 on the understanding that Miss A could raise the dispute again if she contacted NatWest by 10 January 2025. Miss A contacted NatWest again on 10 January 2025 and was told she had until 20 January 2025. Unfortunately, this information was incorrect and by the time Miss A got back in touch NatWest were out of time to continue with the claim. It's clear that NatWest have given incorrect information here, but that doesn't mean that NatWest ought to refund her the money that she paid for the treatment. And NatWest don't have any discretion to submit the claim outside the strict rules of the scheme as it would be rejected. So, I've thought about the evidence that she's provided in support of her claim.

The rules for chargeback are complex and are set by the card scheme – not NatWest. The card scheme changes the dispute conditions from time to time. As I've explained the chargeback process is not a consumer right, or something that's part of the law. Miss A was claiming for defective services or not as described, which are reason codes under chargeback. But I don't think a chargeback would have had a reasonable prospect of success had the claim been submitted in time. I appreciate that NatWest initially said she was eligible to submit the claim, but that doesn't mean it was likely to succeed. I don't think

there is compelling evidence which persuades me that Miss A might have got her money back through the chargeback scheme. There's a lack of evidence about the contract itself and whether it was for a course of treatments. I think it would have been fairly defended on the basis that the initial treatment was supplied, and the remaining services were still available, and that there was insufficient independent evidence it was defective or not as described.

I've also considered that the dispute involves an aesthetic procedure and there is a lack of independent expert evidence to clearly show that Miss A didn't get what was described or that the services were sub-standard. I appreciate she's supplied a letter from a hospital which advised her not to continue with the treatment, but that doesn't have sufficient commentary on the standard of the service. That's not to suggest that Miss A didn't experience genuine difficulties following the initial service. It's clear that problems occurred. However, the chargeback scheme is not well suited to complex disputes such as this which involve multiple allegations and potential personal injury. It doesn't have the ability to recover consequential losses or the same powers a court does to compel witnesses and marshal expert evidence.

I've also thought about whether there was anything which might extend the time frame for raising the dispute given there is a *maximum of 540-calendar days from the transaction settlement date for issues of interruption of ongoing services*. Miss A has told us that it was a course of treatments that she paid for, although I haven't seen any documents which set out when the treatments might happen. Miss A might argue that there was an interruption of ongoing services. But that is because she's refused to continue the treatment, and not because she's shown it wasn't available. I can understand why she's done that, so I make no findings on her actions. The rules say that NatWest would have only been able to "charge back an amount representing the services not received by the cardholder". So even if it had raised a chargeback in time, it's unlikely it would have been able to recover all the money paid. Given what I've also said about the evidence I find it unlikely a chargeback would have succeeded.

While I sympathise with the situation, as I explained above, something going wrong with a supplier won't always lead to a successful chargeback claim. I'm sorry to disappoint Miss A but I don't find I have the grounds to direct NatWest to reimburse her for the cost of the treatment.

I appreciate that Miss A is likely to be disappointed with my decision. I should point out that my decision is only in respect of NatWest's handling of the claim, and this does not prevent her from pursuing legal action against the supplier if that is something she wants to do (after getting legal advice).

However, I do agree with our investigator's assessment that NatWest's communication was poor, and it could have been much clearer about the time limits for the dispute. But I don't think that would have led to a successful chargeback for the reasons I've explained.

Deciding compensation is not an exact science. I do think that NatWest's mistakes have caused upset and inconvenience. But I'm satisfied that the £100 recommended by our investigator adequately recognises that.

My final decision

My final decision is that I uphold this complaint and direct National Westminster Bank Public Limited Company to pay Miss A £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept

or reject my decision before 31 December 2025.

Caroline Kirby
Ombudsman