

The complaint

Mr L complains about the way National Westminster Bank Public Limited Company ('NatWest' or the 'bank') handled his chargeback request.

What happened

The parties are both aware of the background of this complaint – so I will simply summarise this in brief here.

On 20 June 2024, Mr L purchased four phones from a seller costing a total of £4,500.88 – the seller was trading via an e-commerce platform who I'll refer to as 'E' (for ease of reference, I'll only refer to E for most of this decision because ultimately E is acting on behalf of the seller and is the 'merchant' under the chargeback scheme). Mr L raised a dispute with E saying he didn't receive the goods on 24 June 2024 as the delivery notice said. E looked into this matter under its 'buyer guarantee' scheme but sided with the seller who provided evidence of delivery via a courier.

Mr L asked NatWest for help who initiated a chargeback. E defended this providing evidence of delivery. So, NatWest decided not to pursue matters further. Mr L complained saying, amongst other things, NatWest hadn't told him about this outcome, and he was denied an opportunity to submit evidence in response to E's defence. NatWest upheld Mr L's complaint in terms of the customer service it provided and paid him a total of £200 in compensation.

Mr L escalated the matter to us, but our investigator didn't recommend upholding this complaint. This was because he thought the chargeback wouldn't have had a reasonable chance of success, even in light of the further information Mr L would likely have sent in response to E's defence. Mr L asked for an ombudsman to review things.

I issued a provisional decision – neither party provided any further comments or evidence. So, the complaint has been passed back to me to issue a final 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 has added anything further, my decision remains as follows:

I've read and considered the evidence submitted by the parties – but I'll only comment on what I think is key. This reflects the informal nature of this service. Further, where there is a dispute about what happened, I've based my decision on what I think is more likely to have happened in light of all the available evidence.

Chargeback

It's important to note here that NatWest isn't the supplier of goods. Therefore, when I consider if it's acted fairly, I'm looking at its role as a provider of financial services only. In that regard, the

card chargeback scheme is particularly relevant here. This is a means by which NatWest can attempt to get Mr L's money back. It is run by the strict rules of the card scheme. While chargeback is not guaranteed to succeed it will often be fair to attempt one where there is a reasonable prospect of success. From what I can see NatWest did raise a chargeback, but it declined to pursue it further in light of the defence submitted by E. However, I don't think it acted unfairly or unreasonably in this regard. I'll explain why.

Whilst I know NatWest confirmed it'd progressed matters under the Visa dispute scheme, my understanding is its debit cards were changed to 'Mastercard' some time ago. Either way, I don't think this makes a difference as both card schemes have very similar requirements under the chargeback rule for 'goods not received'. In particular, in response to a chargeback the merchant (E) would need to show evidence of the items being received at the correct address – the address being where it was ordered to go – and it being received by either the 'cardholder' or an 'authorised person'. I know Mr L says it has to be him only, but this isn't what the chargeback rules say.

Mr L has provided screenshots from his E account of the dispatched and delivered notifications. This is evidence he said he would've provided to NatWest if he'd been given the opportunity to respond to E's defence. Amongst other things, under 'Check status' it said: "*Your order will be dispatched to: [Ms O]...*". Ms O's first and surname was used in the dispatch notice as well as the full address the goods were being sent to. Under the "*Hi, your order has arrived!*" notification, E told Mr L his goods had been "*delivered to*" Ms O at the same address as one given in the 'dispatched' notification. Mr L doesn't dispute the address the goods were dispatched to was correct. And he doesn't dispute the order was to a different address to his own. He says this was a friend's address who he was staying with at the time he placed the order.

So, even if it could be argued that NatWest should've pushed things further, I don't think this would likely have made a difference here. I say this because: the evidence from the courier includes a tracking number and the image of the person accepting the item at the door; the name of the person on the dispatch is Ms O; the person it was received by is recorded by the courier as Ms O; and Mr L confirmed his friend's address was the address he made the order to – and this address matches where the courier said it was delivered to.

Mr L also confirmed to our investigator that he'd arranged for someone to be present at his friend's address to receive the goods as he didn't want to "*waste time collecting this [the parcel] from the depot.*" Whilst Mr L hasn't confirmed who he'd arranged the delivery to be sent to, his statement does suggest he made some arrangements for someone else to receive the goods in his absence. He does, however, say Ms O wasn't the intended recipient. This doesn't seem to have been something he submitted as part of his claim at the outset of the chargeback process – rather the issue was that the goods hadn't been delivered at all. Even if I'm wrong about that, given the person named on the dispatch notice is the same person the courier said the goods were delivered to, I think this person, on balance, may well be considered under the chargeback scheme to be 'authorised' to receive the goods.

I'll add here I want to make it clear that I've considered all the evidence Mr L has submitted including: the issue with the GPS coordinates; what he says about E not raising a dispute with the courier; the images not being conclusive evidence of delivery; and all the other submissions he's provided which he says undermines E's defence. I also appreciate his account with E has been suspended which he says means he has limited information to defend his position. But, in light of all the available evidence, and the fact E was likely to continue to defend its position (with compelling evidence of delivery), I don't think his dispute had a reasonable chance of succeeding here. So, even if I considered that NatWest should've pursued the chargeback further (which I don't), in any event, I don't think it should refund Mr L as if he had won the chargeback.

Mr L should bear in mind the limited nature of a chargeback. It isn't the same as (for example) making out a case in court. And the merchant's defence under a chargeback isn't quite the same as defending the underlying claim. Further, unlike a court, the card scheme (or us) isn't able to compel evidence or cross examine witnesses. So, it's open for Mr L to disagree with what I've concluded here, reject my decision and then pursue matters by alternative means such as court (seeking appropriate advice in the process).

Customer service

NatWest made a mistake when it told Mr L in an email dated 7 August 2024 that it would be providing him with a temporary refund. It also said if he didn't hear from the bank by 13 October 2024, he'd be able to keep the refund. But NatWest sent another email correcting this on 14 August 2024 saying due to the amounts involved, no temporary refund would be given in this case. Instead, the funds would be put on hold until the outcome of the dispute was known. I appreciate Mr L considers NatWest should pay what it had 'committed' but it corrected itself on 14 August 2024. And I don't think its email dated 7 August 2024, amounted to a commitment to refund him the monies – the promise was if the outcome of the dispute was in his favour he'd be able to keep the refund. But no refund was given, and the outcome wasn't in his favour.

NatWest also delayed telling Mr L about the outcome of his chargeback which resulted in him having to chase matters up. I think NatWest could've handled its communications better and I appreciate what it said to Mr L was upsetting and caused him inconvenience. In total NatWest has paid him £200 for its customer service failings. And bearing in mind, I don't think these issues impacted on the outcome of the chargeback itself, I consider this fairly and reasonably compensates Mr L for the mistakes made by NatWest. I won't be asking it to pay him anything further.

My final decision

For the reasons set out above, I'm not upholding this complaint.

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

Yolande Mcleod
Ombudsman