

## **The complaint**

Miss R complains that National Westminster Bank PLC declined her chargeback claim.

## **What happened**

Miss R booked a holiday with Loveholidays on 27 March 2024 and paid using her NatWest card. The amount paid was £606.95.

Subsequently the flights included in the holiday package were cancelled by the airline without refund. Miss R had to re-book flights at her own expense.

Miss R submitted a chargeback claim to NatWest, but the chargeback was rejected.

Miss R complained to NatWest, She was unhappy that the chargeback had been rejected. She was unhappy that she'd been advised by an agent on 2 May 2025 that a chargeback would be raised and credited but it wasn't. She was unhappy that she'd been advised that the bank couldn't assist with the claim against Loveholidays. She was unhappy that her call had been disconnected on 2 May 2025 and that no one had called her back. She was unhappy that an agent told her to borrow money from a friend and about the service received from another agent on 18 May 2025.

NatWest issued a final response in which it said it hadn't made an error when it rejected the chargeback claim. Notwithstanding this the transactions were refunded back to Miss R. NatWest acknowledged that there had been some service issues and paid compensation of £105 for any inconvenience caused.

Miss R remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. He said that NatWest had refunded the two payments that Miss R had made to Loveholidays. Miss R had confirmed that she had received the refund after she submitted the complaint to this service. The investigator said that the refund, and the compensation of £105, was a fair and reasonable resolution to the complaint.

Miss R didn't agree. She said that whilst she acknowledged that NatWest had refunded the two payments and paid £105 compensation, she didn't think this resolved the issues of the banks failure to raise the chargeback, the delay and financial hardship caused to her and the impact of the mishandling of the claim. Miss R said that £105 didn't reflect the impact of the service failings on her.

Because Miss R didn't agree I've been asked to review the complaint.

## **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 know it will disappoint Miss R, but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I'll focus on the three issues identified by Miss R as the reasons why she believes she should receive further compensation.

#### Failure to raise chargeback

Miss R says that NatWest refused to raise a chargeback despite clear evidence that the airline had cancelled the flights. Miss R says that NatWest failed to act within the rules of the chargeback scheme and deprived her of timely access to her funds.

Chargeback is a voluntary scheme. A bank isn't obliged to raise a chargeback simply because a customer requests one. The bank has a discretion whether to raise a chargeback and will only do so where it believes the chargeback will be successful. Even where a chargeback is raised there's no guarantee of a refund because the merchant can dispute the claim.

In this case, NatWest has said that Miss R didn't respond to a request for further information about the claim. It said the documents provided by Miss R didn't show that there had been a clear breach of contract by the merchant but rather indicated that the merchant had cancelled the booking as a result of a non-payment towards the holiday.

I appreciate that Miss R has said that the airline cancelled the flights. But it wasn't clear from the documents she provided to NatWest that this was the case. In the circumstances, I don't think NatWest acted unreasonably by initially refusing to raise the chargeback.

I can see that the chargeback was manually raised on 23 May 2025 and a temporary credit for £519.95 and £87 was applied to Miss R's account on the same date.

#### Delay and Financial Hardship

Miss R has said that the refund was only provided to her after she referred her complaint to this service. She says she was left without £600 for a prolonged period and that despite making NatWest aware of her financial difficulties they refused to help, which caused her distress and financial hardship.

I've thought about this. As I've said above, I don't think NatWest acted unreasonably when it initially refused to raise the chargeback. So I can't fairly say that NatWest was responsible for a delay in Miss R receiving her refund.

Miss R contacted NatWest to request a chargeback on 18 April 2024. Initially the chargeback was rejected for the reasons I've explained above. I appreciate that Miss R has said that she was advised by an agent on 2 May 2025 that the chargeback would be raised but it wasn't actioned. I understand that this must've been frustrating. I've listened to the call dated 2 May 2025 and I agree that the agent told Miss R that he would send a request to the disputes team to attempt a chargeback. However, the agent made it clear to Miss R that there was no guarantee of a refund at that stage and that the disputes team may wait until the outcome of the claim before issuing a refund. Having listened to the call I'm unable to say that Miss R was promised a refund at this stage.

I'm sorry to hear that Miss R was caused financial hardship as a result of the flights being cancelled and having to purchase alternative flights at her own costs. I'm aware that Miss R

made NatWest aware of her financial hardship. I've listened to a call dated 6 May 2025 and I agree that the agent could've been more supportive. I understand how distressing this must've been for Miss R, and I think NatWest was right to acknowledge this as poor service and take account of it in the compensatory award.

#### Inadequate Compensation

It's not in dispute that there have been some service issues here. And I don't doubt that the matter has caused distress and inconvenience to Miss R. However, I can see that Miss R had a full refund within 5 weeks of contacting NatWest which – although a longer timescale than Miss R would have wanted – isn't an unreasonable period. Overall, I think the refund and the compensation already paid by NatWest is a fair and reasonable resolution to the complaint. I won't be asking it to do anything further.

#### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 23 October 2025.

Emma Davy  
**Ombudsman**