

## **The complaint**

Mr B and Mr P complain about the way Nationwide Building Society ('Nationwide' or the 'bank') dealt with a chargeback request in relation to a joint bank account.

The payment was used using Mr B's debit card. Whilst the payment was made by Mr B, Mr P has been the representative throughout the complaints process. Any reference to Mr P will include information or evidence received from Mr B. Similarly, any reference to Mr B will also include information provided by Mr P.

## **What happened**

Mr P complains about a payment made by Mr B using his (Mr B's) debit card. This payment was for a hotel stay in August 2024 based abroad for several nights costing just over £800. The booking was made via a booking agent who I'll refer to as 'C'. However, when Mr B arrived at the hotel, he wasn't allocated a disabled friendly room. As Mr B has a disability which required him to have suitable disabled facilities including a ground floor room which wasn't offered to him when he arrived at the hotel, he says he had no option but to cancel his stay and book alternative accommodation.

Mr B was unable to obtain a refund from the hotel directly and/or C, so he contacted Nationwide who raised a dispute under the Visa chargeback scheme. When this was defended by C on the hotel's behalf, who said the booking was non-refundable, Nationwide declined to pursue matters further. It said if Mr B could provide evidence of being entitled to a refund it would reconsider matters. Mr P, who raised the complaint on Mr B's behalf, insisted Mr B had been offered a refund over the phone by one of C's agents so requested Nationwide to escalate matters. When Nationwide declined to do so, Mr P complained. Unhappy that Nationwide wouldn't change its position, he referred the matter to our Service.

Our investigator didn't recommend upholding the complaint. Mr P strongly disagreed saying amongst other things, that the hotel was acting in breach of UK contract law and the Consumer Rights Act 2015 (the 'CRA'). So, he asked for the matter to be escalated to an ombudsman for a final decision. I issued a provisional decision providing additional reasons for not upholding the complaint including in relation to the issue about Nationwide not agreeing to speak with Mr P until Mr B consented for it to do so. Mr P disagreed saying my decision about the chargeback was wrong in principle and in law. So, the matter has been passed back to me to finalise.

## **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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service. However, I've given careful consideration to all of the submissions made before arriving at my decision. Having reconsidered everything, I can't see that Mr B, or Mr P, have added anything substantially

new. So, my decision remains the same as that set out in my provisional decision. In summary this is for the following reasons:

- In terms of what Mr P said about Nationwide not agreeing to initially speak to him, as I explained in my provisional decision, because it was Mr B who had used his debit card to make the payment for the hotel, and therefore, was the person who could ask Nationwide to raise the chargeback, I don't consider the bank was being unfair or unreasonable here. Once Mr B consented, Nationwide did speak directly with Mr P so again I think it has acted fairly and reasonably in this regard.
- In respect of the chargeback, as I said in my provisional decision, the Visa chargeback scheme is subject to strict rules and there is no guarantee that the card issuer will be able to recover the disputed amount. Whilst there is no obligation for the card issuer to raise a chargeback claim, I think it's good practice to do so where there is a reasonable prospect of success. Nationwide raised a chargeback under the Visa rule "*Cancelled Merchandise/Services*" which based on Mr Ps' description of what happened, does seem reasonable. From the documents I've seen such as the booking confirmation, this clearly disclosed the cancellation policy – the confirmation shows the booking was 'non-refundable', and this is why C (and the hotel) declined to refund Mr B.
- I appreciate the difficult circumstances that led to the cancellation. And I very much sympathise with Mr B's and Mr P's situation. However, given the hotel and C were able to show that the non-refundable nature of the booking was clearly disclosed at the time of booking, I can't reasonably or fairly say that this chargeback had a reasonable chance of success under the Visa chargeback scheme.
- I note what Mr P (on Mr B's behalf) has said about one of C's agents making a verbal promise to refund the hotel costs. But I'm still of the view that Nationwide acted fairly and reasonably when it asked for further evidence to support this claim. This is particularly so given the booking confirmation clearly says the booking was non-refundable.
- Mr P says the hotel's policy (and by extension C's policy) of not refunding customers was against the Visa scheme rules. And that the non-refund policy is contrary to the implied terms set out in the CRA as well as contract law in general. Mr P says whilst the hotel was based abroad it is still subject to UK law, so the non-refundable policy is in breach of contract. I've taken all of what Mr P has said in this regard into account. But I can't say Nationwide was acting unfairly or unreasonably by not taking into account the CRA or contract law when deciding on whether (or not) to refund Mr B. I say this because whether a claim is likely to be successful would be dependent on the card scheme rules – in this case run by Visa – rather than specific laws or regulations outside of those rules. Given this, I can't say that Mr B's claim would've been successful on this basis.

So, whilst I know this will remain a disappointing outcome for Mr P and Mr B, for the reasons set out above, I'm not upholding this complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mr P to accept or reject my decision before 15 December 2025.

Yolande Mcleod  
**Ombudsman**