

## **The complaint**

Mr S complains that Nationwide Building Society (Nationwide) has treated him unfairly in relation to its obligations with regard to payments made using his debit card.

## **What happened**

On 13 March 2024, Mr S made a payment of £2,822.20 to the courts to start a litigation claim using his Nationwide debit card. He made a further payment of £702.48 to start a second claim using the same card on 27 March 2024.

Mr S says that the cases were amalgamated by the court and delays meant the court dates were set at a later date. The process affected him physically, mentally and emotionally such that he made the decision to discontinue the litigation.

Mr S contacted the court service with regard to a refund and was advised the fees paid are non-refundable. He therefore contacted Nationwide in June 2025 and again in July 2025 with regard to whether a chargeback dispute could be raised on his behalf to recover the funds spent.

When Mr S contacted Nationwide in June and July 2025, Nationwide informed him that it could not locate the transactions in question. Later, on review, Nationwide informed Mr S that this was incorrect and it offered Mr S £50 for poor service provided. In its final response letter, Nationwide said that if Mr S could provide supporting information about his dispute, it would be happy to review the dispute further.

Mr S brought his concerns to our service. He said both the dispute itself, and the lack of efficacy displayed by Nationwide when he brought his concerns to it have affected him both physically and mentally. Mr S asked for his funds to be reimbursed as he did not get the service expected.

Our investigator reviewed the complaint and said she found that under the card scheme rules, Mr S had brought his dispute too late for a successful chargeback dispute to be raised. She added that in addition to providing poor service in stating the transactions could not be located on two occasions, Nationwide provided further incorrect information in the final response letter. She therefore suggested that Nationwide pay a further £100 to Mr S to apologise for the poor service provided.

Nationwide agreed to this outcome. Mr S, however, did not agree and asked for an ombudsman to consider his complaint. He said the courts had a backlog in excess of three months which caused delays in progressing his litigation claim. Mr S said the excessive delays would have rendered the service and outcome useless which is why he discontinued it. So, the complaint has now been passed to me to decide.

## **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 would like to start by saying that I have provided a brief summary of the events that occurred. I intend no discourtesy by this and can assure both parties that I have taken all the information provided into consideration when reaching a decision on this complaint.

In this decision, I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. Our rules allow me to do this, and this reflects the nature of our service as a free and informal alternative to the courts.

Having reviewed all the information and evidence available, I can appreciate that this matter has had a detrimental effect on Mr S in a number of ways. I acknowledge Mr S's vulnerabilities and how this payment dispute would have affected him.

Having said that, I must make clear that I am unable to comment on the actions of the court in this decision. I am only able to consider whether Nationwide has acted in a fair and reasonable manner when Mr S approached it for assistance with his dispute. When considering what's fair and reasonable, I'm only considering whether Nationwide acted in line with its obligations as the entity that has issued the card he used to make payment.

Mr S paid for the item using a debit card, so the only available route to obtain a refund that Nationwide could facilitate on Mr S's behalf is the chargeback process.

Chargeback is a voluntary scheme under which settlement disputes are resolved between card issuers and merchants, under the relevant card scheme. A card issuer will review the claim against the possible reasons for a chargeback and look at whether it would be able to make a successful claim for the customer. Card issuers do not have to submit claims and usually will only do so, if it is likely to be successful. We don't expect them to raise a claim if there is little prospect of success.

Nationwide has already accepted that it made an error in failing to locate the transactions Mr S was disputing so I don't need to consider this matter further. What I will do instead is consider whether if the transactions had been located, whether Nationwide should have raised the dispute on Mr S's behalf.

As far as I can see, when completing the dispute forms, Mr S said he made payment in March 2024 and expected to receive the services in April 2024. The Visa dispute rules require a dispute to be brought within 120 days of the transaction date or 120 days from the last date the cardholder expected to receive the services. The dispute cannot be processed in excess of 540 days from the transaction processing date. As Mr S's transaction date is in March 2024, he expected to receive the services in April 2024 and he raised the dispute in June 2025, it was too late for a dispute to be raised.

In any event, having considered the dispute against the Visa rules, I find that even if the time limits were not an issue the dispute would have very little prospect of success. I say this because the terms and conditions supplied when engaging the services of the courts are clear that court fees are non-refundable, even when a claim is discontinued. In light of this, it would be difficult for a successful claim to be raised if claiming the services have been cancelled and a refund not received. The other way to consider this dispute would be to review whether a claim could be raised under services not received as expected. However, as far as I can see, the services would have been rendered had Mr S not discontinued the claim so this too, would also have been unlikely to be successful.

I therefore find that the dispute had been raised too late. And even if it had not, the dispute

had little prospect of success. As explained above, when a dispute is unlikely to be successful, I would not expect Nationwide to raise the dispute on its customers behalf. I understand this will be a disappointing for Mr S, but the chargeback process is not designed to settle complex disputes or to consider legal arguments, and something going wrong doesn't automatically result in a successful chargeback, if the relevant conditions of the scheme rules aren't met. As such, even if Nationwide had done things differently, I find the outcome would have been the same with regard to the chargeback.

Nationwide has already paid Mr S £50 for the poor service provided. Our investigator has suggested Nationwide pay Mr S a further £100 for distress and inconvenience caused. Due to errors made by Nationwide, Mr S had to raise the dispute three times and then raise a complaint. He failed to receive clear answers through the entirety of the process. I find the investigator's suggestion for Nationwide to pay a further £100 to Mr S to be fair, and Nationwide has agreed to this resolution. I therefore find that Nationwide should pay Mr S £100 for distress and inconvenience caused.

### **My final decision**

My final decision is that I uphold this complaint and require Nationwide Building Society to pay Mr S £100 for distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 31 March 2026.

Vanisha Patel  
**Ombudsman**