

The complaint

Mr D has complained about the way National Westminster Bank Public Limited Company dealt with a claim for money back in relation to a transaction made using a debit card.

What happened

The circumstances of the complaint are well known to the parties so I won't go over everything again in detail. To summarise, Mr D used his debit card to pay around £4,700 towards building work in July 2024. Mr D was unhappy with the work because he said the supplier failed to complete the agreed upon work or provide all relevant materials. He said goods weren't as described; there was a breach of contract; the supplier failed to correct defects; and it engaged in fraudulent behaviour or deceptive practices.

Mr D contacted NatWest in January 2025 to claim his money back and it raised a chargeback for him. The supplier defended the chargeback saying Mr D had signed a contract, paid a deposit, and that it carried out the installation. NatWest thought the defence was invalid, so it took it to pre-arbitration, which was also rejected. It decided to take it to arbitration with the card scheme which was again rejected. So the claim didn't succeed. Mr D complained about the way the chargeback was handled.

Mr D decided to refer his complaint to the Financial Ombudsman.

One of our investigators looked into the complaint and said she thought NatWest had taken the chargeback as far as it could go, which was fair. She said NatWest submitted the documentation Mr D had supplied, and that she couldn't hold it liable for the card scheme's answer. She didn't make any recommendations.

Mr D responded to say he understands the Ombudsman can't overturn the card scheme's decision. But he thought NatWest hadn't treated him fairly in the process. He said the chargeback failed because NatWest didn't substantiate the relevant timeframe with the scheme requirements. He thought this was a procedural failure by NatWest. He said NatWest didn't tell him pre-arbitration was the final evidential stage and it didn't warn him evidence provided later in the process wouldn't be considered. He said NatWest didn't request the specific evidence needed to meet the card scheme's requirements. He also thinks NatWest didn't challenge or address the supplier's defence.

The case 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 Mr D 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'm sorry to hear Mr D wasn't happy with the building work and it cost a significant sum. I can't imagine how he must feel, but I thank him for taking the time to bring his complaint.

What I need to consider is whether NatWest – as a provider of financial services – has acted fairly and reasonably in the way it handled Mr D's request for getting money back. It's important to note NatWest isn't the supplier. I've gone on to think about the specific card protections that are available. In situations like this, NatWest can consider raising a chargeback.

The chargeback process provides a way for a card issuer to ask for a payment to be refunded in certain circumstances. The chargeback process is subject to rules made by the relevant card scheme. It's not a guaranteed way of getting money back.

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 merchant won't always lead to a successful claim.

NatWest had to submit the chargeback under one of the available reason codes. It used "Goods or services were not provided". Given Mr D's submission led with him saying there was non-delivery of goods and services I think this was fair of it. NatWest took the chargeback to the final stage of the process. I think this was fair of it. It submitted the documentation Mr D had supplied. It also didn't think the supplier's defence was valid and pursued the claim further, although I appreciate there are limits to what NatWest can supply the further the process goes. After its own investigation the card scheme found in the supplier's favour having been provided Mr D's detailed account of what had happened. NatWest was unable to pursue the claim further.

While I know Mr D is unhappy, I think NatWest took the case as far as it could. It gave Mr D the opportunity to set out and evidence his claim, which it used to support the chargeback. While NatWest was required to guide Mr D I don't necessarily think it would have been able to step into the shoes of the card scheme to tell Mr D exactly what he needed to present for the claim to succeed. Ultimately Mr D had explained in detail what he thought had gone wrong and had also shown he was still in communication with the supplier about finishing the job in November and December 2024. But the card scheme still didn't accept the chargeback.

I'm also conscious the contract value was more than what Mr D paid using his debit card under this claim. It's quite a complicated claim, that spanned a long time. Chargeback would not be appropriate to cover breach of contract cases, or consequential losses. It's designed for cases that meet the strict conditions set out in the card scheme rules. Mr D would only have been able to claim the sum paid using his debit card, which I appreciate could be hard to evidence why that exact amount should be refunded in a case like this. The sum Mr D paid on his NatWest debit card matched the deposit amount for roof refurbishment on the settlement agreement he provided which the supplier essentially argued was payable for work carried out. It's not a straight-forward matter of a single item not being received or a service that was fully paid for but not provided at all. So I think there were several challenges and chargeback may not have been the best forum for the dispute to be decided, even had it been considered to have been brought in time by the card scheme.

Overall, I'm not saying something hasn't gone wrong. I can see Mr D has put together a compelling argument with lots of detail. But overall, while I'm sympathetic, I don't find I have the grounds to say NatWest handled the chargeback in such a way that it should now offer Mr D a full refund or pay him the compensation he's seeking.

Finally, I know Mr D would have wanted an answer sooner, but NatWest processed the chargeback as far as it could go in line with the relevant timescales. And while it didn't send a final response letter straight-away, Mr D had referred his complaint to the Financial Ombudsman for consideration which I think reduced the impact of that. I'm not going to direct NatWest to take further action for Mr D, but I do hope he manages to resolve the claim through other channels he might be pursuing.

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 D to accept or reject my decision before 13 March 2026.

Simon Wingfield
Ombudsman