

complaint

Mrs D complains that Nationwide Building Society refused to raise a chargeback claim in relation to her cancelled package holiday, failed to cancel a payment as instructed, and failed to reply to her correspondence.

background

In January 2018 Mrs D booked a package holiday with a third party. She paid a deposit of £240 on her debit card, and pre-authorised the payment of the balance, which was £1,915. (There is a dispute about what kind of payment that was.) She says (and has proved) that the third party had described the hotel as “wheelchair accessible,” which was important to her as she uses a wheelchair. But a few days later, she looked at photos of the hotel online, and saw that the wheelchair ramps were much too steep. She also says the ramps are unsafe for other reasons, such as having a gap next to them where a wheelchair could fall off, and being too close to windows. So she cancelled the holiday, and asked Nationwide to raise a chargeback for the deposit, and to cancel the payment of the outstanding balance.

Nationwide refused to raise a chargeback. The tour operator’s terms and conditions said that in some circumstances, a full refund would not be paid in the event of cancellation. It said the tour operator had told it that the ramps conformed to the standards required in the country where the hotel was. It said that none of the recognised chargeback reasons were applicable. And it said that a pre-authorised payment could not be cancelled (contrary to what it had told her originally), so it had no choice but to process the payment, which it did in June. (Mrs D says she received a refund of about a third of the holiday money from the tour operator, but it kept the rest.)

Mrs D’s husband brought this complaint to our Service on her behalf. Mr and Mrs D also say that Nationwide asked them to send copies of documents they had already sent before, and ignored their letters. Nationwide has paid her £250 for the customer service issues.

Our investigator did not uphold this complaint. He agreed that there was not enough evidence that the hotel was not wheelchair accessible, so he thought a chargeback would not have succeeded. He said that Nationwide couldn’t refuse to process a pre-authorised transaction. He acknowledged that this transaction had been described on Mrs D’s statement as a recurring payment (which can be cancelled), but he said this had been wrong. He said that the £250 was fair compensation for that and for the other service issues.

Mr D asked for an ombudsman’s decision. He insisted that the payment of £1,915 was unauthorised, and that Nationwide had assured him that it was a recurring payment authority.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Although the account is now in Mr and Mrs D’s joint names, Nationwide says it was her sole account at the relevant time, and so I have treated this complaint as solely her complaint, since he is not an eligible complainant under our rules. This has not affected the outcome, however.

The transaction for £1,915.20 is clearly described on the relevant bank statement as a "Recurring VISA Transaction." So I can understand why Mr and Mrs D thought it could be cancelled. But on the balance of probabilities, I accept that this was most likely a mistake, as Nationwide says, because Mrs D only wanted to make this payment once. A recurring payment would not have been suitable for a one-off payment, which was not to be repeated. It is intended for monthly or annual subscriptions and the like. So I accept Nationwide's explanation for why it didn't cancel the payment.

I think that sufficient evidence was provided to show that the wheelchair ramps would not have met UK standards, if the hotel had been in the UK. But I don't think that the two words "wheelchair accessible" on their own, in a brochure, means that the ramps at a foreign resort will conform to UK standards. There's no evidence that the ramps did not conform to the laws of the country in which they were situated, or of what those laws require. It is a less developed country than the UK, so I will not assume that the laws are similar. So I agree that a chargeback based on the inadequacy of the ramps would not have succeeded.

Finally, I think that £250 is fair compensation for the general customer service failings, and is in line with what our Service would typically award.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 7 May 2020 (but Mr D may reply on her behalf if she prefers).

Richard Wood
ombudsman