

The complaint

Mr J complains that Nationwide Building Society, who I'll call Nationwide, were unreasonable not to process a chargeback for him.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 know it will disappoint Mr J, but I agree with the investigator's opinion. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any 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.

If goods are faulty or not as described, as Mr J says is the case here, the chargeback scheme may allow the debit card holder to get a refund.

Chargeback is not a legal right and Nationwide didn't have to process a chargeback, although I'd think it fair for them to do so if there was a good chance the claim would succeed. The chargeback scheme is not administered by Nationwide. It's the chargeback scheme provider (VISA) who set the rules.

Nationwide have explained that those rules require the item to have been returned in order for a chargeback to be successful. As there's no dispute the items haven't been returned, I don't think Nationwide were unreasonable not to pursue the chargeback as it was unlikely to succeed.

Mr J has explained that legislation puts the onus on the seller to pay for returns and he may therefore be able to raise his claim through the courts if a return isn't agreed. But with regard to his chargeback claim I can't say Nationwide have been unreasonable when not pursuing a claim that the scheme rules were unlikely to support.

I don't therefore think it would be fair to ask Nationwide to take any further action.

My final decision

For the reasons I've given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 17 November 2023.

Phillip McMahon
Ombudsman