

The complaint

Mr P complains that National Westminster Bank Plc (“NatWest”) mishandled his chargeback dispute for three payments totalling £60,000, which Visa said were made out of time.

What happened

The details of this complaint are well known to both parties, so I won’t repeat everything again here. In brief summary, Mr P raised a chargeback claim with NatWest on 17 January 2021 about several debit card payments he made to “Trading 212” after he was unable to withdraw funds from his trading platform.

Mr P had £90,000 refunded to him as a result of his chargeback claim, but NatWest said that Visa had rejected the claim on the following three payments as it said they’d been made out of time:

Date	Payment method	Merchant	Amount
15/09/2020	Debit card	Trading 212	£20,000
16/09/2020	Debit card	Trading 212	£20,000
17/09/2020	Debit card	Trading 212	£20,000
		Total:	£60,000

Mr P complained that this was unfair and disagreed that the chargeback had been brought out of time. He said he had tried raising it with the bank sooner but couldn’t get through. NatWest didn’t consider it had done anything wrong as all the chargeback claims had been raised together at the same time and all evidence was presented to Visa in a timely manner.

Our investigator also didn’t uphold Mr P’s complaint. She was satisfied NatWest had acted fairly and reasonably and didn’t think there was anything more it could’ve done to pursue the chargeback claim, as it was ultimately Visa’s decision that the transactions had been disputed out of the 120-day timeframe. Mr P disagreed, so the matter has been escalated to me to determine.

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.

Having done so, I agree with the conclusions reached by the investigator and have decided not to uphold it. I’ll explain why.

First, as explained by the investigator, our service is unable to review the decisions of Visa’s arbitration process as part of this complaint. Chargeback claims are decided based on the

card scheme's rules, not the relative merits of a cardholder/merchant dispute. Ultimately, it is Visa's decision as to whom they uphold a chargeback against. We don't have authority to challenge how they run their scheme. So, when considering a chargeback complaint, our remit extends only to considering whether NatWest has acted fairly and reasonably in its handling of the claim and whether its actions have led to a loss or additional difficulty for Mr P.

Having reviewed all the evidence, I'm satisfied NatWest has acted reasonably in its handling of Mr P's chargeback claim. Mr P says he wasn't able to dispute the payments with NatWest until 17 January 2023. I appreciate he says he was trying to get through to the bank prior to this and also sent an email informing them of his dispute on 2 January 2021, although I note there wouldn't have been enough information in his email to substantiate a chargeback claim.

NatWest has also shown an example of an automatic reply it sends from the mailbox Mr P emailed, which it says he would've received in response. It informs the sender that NatWest cannot process new claims via email and that any new disputes should be processed online (for which it provides the relevant link to do so). I appreciate Mr P may not recall receiving this, but I've no reason to doubt it wouldn't have been sent in response to his email. Even if he didn't receive it, there was information readily available on NatWest's website at the time setting out how a payment can be disputed online.

So, I'm satisfied Mr P ought reasonably to have known that there were alternative methods of disputing the payments, and that doing this by phone was not his only option. In any event, even if Mr P *had* raised his dispute sooner, it's unlikely NatWest would've been able to submit the claim to Visa straight away as it would've still needed to obtain the necessary information and documentation for the claim, which can take time. So, I'm not persuaded NatWest can fairly or reasonably be held responsible for delaying the point in which Mr P first raised his dispute with the bank.

NatWest eventually raised all the disputed transactions at the same time with Visa on 3 February 2021 once it had all the necessary documentation. And given it had first been made aware of the dispute on 17 January 2021, I don't consider this timeframe to be unreasonable.

NatWest pursued the matter to pre-arbitration on 5 March 2021 when the merchant defended the claim. It then filed for arbitration on 5 April 2021 when the matter couldn't be resolved with the merchant. Visa responded on 21 May 2021 explaining that it was only going to reimburse £90,000 due to some of the transactions being out of time, which NatWest appealed on 10 June 2023 where it argued that Visa's position wasn't correct.

Overall, I'm satisfied the bank has pursued and dealt with the claim in a timely manner without any significant delays, and I'm not persuaded any of its actions have ultimately prejudiced Mr P's ability to succeed in his chargeback claims. It was also Visa's decision to rule that the transactions made between 15 – 17 September 2020 were out of time, not NatWest's.

I can see that NatWest appropriately challenged Visa's decision to only provide £90,000 out of the total £150,000 in November 2021, but it didn't receive any further clarification from the scheme provider at the time. NatWest later received a response from Visa saying that it was unable to change final rulings after 60 calendar days had passed, which it considered to have already elapsed as the case was reviewed and closed by Visa on 20 August 2021.

The bank is not able to challenge Visa's decision further once it had given its final response, so I don't think it has acted unfairly by failing to pursue the matter any further. I appreciate

Mr P may not agree with Visa's decision, but this is not NatWest's responsibility, and I'm not persuaded there was any NatWest error that ultimately led to Visa's decision to only refund £90,000 either.

Mr P has also said that his dispute should have been filed as one for 'services not received'. But it seems Mr P was ultimately claiming that the merchant had misrepresented his ability to be able to withdraw his money, so I don't consider it was wrong for the claim to be pursued under section 13.5 of Visa's scheme rules for 'misrepresentation'. Indeed, it also resulted in Mr P successfully obtaining £90,000 back on his other transactions. There's also little to suggest that the rest of Mr P's claims would've otherwise been accepted by Visa if it they'd been filed differently either.

I appreciate this will likely come as a disappointment to Mr P, but overall, I'm not persuaded NatWest has done anything substantially wrong here, so I won't be asking it to take any further action.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 26 February 2024.

Jack Ferris
Ombudsman