

The complaint

Miss G complains that Bank of Scotland plc trading as Halifax hasn't provided the service it should have when dealing with her complaint about services bought using her debit card.

What happened

On 14 July 2022, Miss G used her Halifax debit card to pay £1,516 for dental work. The work was carried out on 6 September and guaranteed for a year but in November 2022, she says the work had chipped her teeth and needed repairing. She contacted the dental company and after a few issues it was agreed that an appointment would be booked for the repairs in April 2023. However, when she visited the dental company there was a sign to say it had ceased trading. Miss G contacted Halifax about getting a refund for the money she had paid.

Halifax issued a final response saying that Miss G's claim had been declined as under the scheme rules it only had 120 days to raise a claim from the date of the transaction and in this case Miss G's claim was out of time.

Miss G wasn't satisfied with the response from Halifax. She said that it initially said it couldn't help as the payment was made in July 2022 but then said that if the guarantee was provided it would consider this. Miss G sent a copy of the guarantee, but Halifax still said it couldn't help her.

Our investigator didn't uphold this complaint. She said that Miss G had contacted Halifax more than 120 days after the transaction was made and so Halifax declined the claim in line with the terms and conditions.

Miss G didn't agree with our investigator's view. She said her financial loss, costs and distress and inconvenience hadn't been considered and only the 120 day rule had been focussed on. She said she had been trying to contact Halifax since April 2023 and she was told to send in her guarantee which she did but then didn't hear anything. She said this issue has caused her serious distress and she didn't accept that she had been treated fairly.

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 am sorry to hear of the experience Miss G had when she paid for dental work. I do not underestimate the distress she has been caused by the issues with the work that was undertaken and the further upset she has experienced by the dental company closing and so the repairs not being undertaken. However, this complaint is against Halifax and so for me to uphold it I would need to be satisfied that Halifax had done something wrong or treated Miss G unfairly.

Miss G paid for the dental work on 14 July 2022 and the service was provided on 6 September 2022. Miss G paid for the dental work using her Halifax debit card and has explained that the dental work resulted in her teeth being chipped and repairs being needed.

She wasn't able to get the repair work carried out by the dental company as it was no longer trading. Therefore, I understand why she tried to reclaim the money she had paid and contacted Halifax to assist with this.

When a payment has been made using a debit card, Halifax can, in certain circumstances raise a chargeback. Chargeback is the process by which settlement disputes are resolved between card issuers and merchants under the relevant card scheme. Chargebacks can be raised for different reasons including goods or services not being as described or defective. Chargebacks are decided based on the card scheme's rules, not the relative merits of a cardholder/merchant dispute and there are timescales in which the chargeback must be submitted.

I can understand why Miss G feels she hasn't been treated fairly but I can only consider how Halifax has responded to the chargeback request (rather than the merits of her dispute with the dental company). And, in this case, the scheme rules required the chargeback to be submitted within 120 days. Looking at the information provided by Halifax it shows that Miss G contacted it about this issue on 12 May 2023. This was more than 120 days after both the transaction took place and the service was provided. So, while I understand why Miss G is upset by the response she received from Halifax, I do not find I can say it did anything wrong or treated Miss G unfairly by not progressing her chargeback due to it being raised out of time.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 27 March 2024.

Jane Archer
Ombudsman