

## **The complaint**

Ms M complains that Bank of Scotland plc trading as Halifax declined her chargeback for goods that she returned but didn't receive a refund for.

## **What happened**

In December 2023, Ms M used her Halifax debit card to pay a £7,445.43 deposit for items of jewellery from an overseas supplier and was told the items would be ready in January 2024. Ms M said that in February 2024, she received a message about the jewellery, but the jewellery shown was different to that which she had previously seen. She said the jewellery was returned to the supplier and while she received a receipt for the returned items she didn't receive a refund. Ms M was unable to resolve the issue with the supplier and contacted Halifax. She said Halifax provided different reasons as to why she didn't receive a refund.

Halifax said that Ms M raised a dispute on 11 March 2024 saying that the jewellery wasn't as described and that she had returned this but not received a refund. Halifax said that it requested further information on 25 March 2024, and while Ms M did provide further details on 7 April 2024, this didn't answer all of the questions it had asked. Therefore, it requested the information again but Ms M didn't respond until 28 June 2024. At this time it responded to her explaining that she was out of time to continue with the dispute. Ms M provided further information and Halifax continued to ask for further details but said that after 13 June 2024 this dispute was out of time to be raised as a chargeback.

Ms M said she purchased something that wasn't as described and kept getting different reasons as to why she hadn't had a refund. She referred her complaint to this service.

Our investigator explained that as the disputed items had been paid for using Ms M's debit card Halifax could only consider raising a chargeback to attempt to get a refund for Ms M. She explained the chargeback scheme and that the Visa rules were relevant in this case, and these included the need for the chargeback to be processed within 120 days of either the transaction date or the date on the transaction receipt. If there was no date on the receipt the 120 days would begin when the items were returned. Based on this, she agreed that the chargeback needed to have been processed by 13 June 2024.

Our investigator noted the information that Halifax had requested and what Ms M had supplied. She said no evidence had been provided to show that a refund had been agreed by the supplier and so she didn't think a chargeback would have been successful. She didn't think Halifax was wrong to decline Ms M's claim and so she didn't uphold this complaint.

Ms M didn't agree with our investigator's view. She said that she had provided the information within the 120 day timeframe and also noted that she had been in correspondence with Halifax in July 2024.

## **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 upset Ms M has been caused in regard to her jewellery purchase. This decision relates to the actions Halifax took in response to Ms M raising a dispute about her transaction. For me to uphold this complaint I would need to be satisfied that Halifax had done something wrong or treated Ms M unfairly by not raising the chargeback.

Ms M paid for jewellery using her Halifax debit card. Therefore, when she raised her dispute with Halifax about the goods not being as described and a refund not being provided, the appropriate action was to consider whether a chargeback could be raised.

As our investigator explained, chargeback is the process by which settlement disputes are resolved between card issuers and merchants under the relevant card scheme. The relevant scheme in this case is Visa. Under the Visa scheme rules, a chargeback needs to be raised within 120 days of the expected service. In this case, the transaction was made in December 2023, but Ms M only became aware of the issue with the jewellery and that a refund wasn't being provided in February 2024. Based on when the jewellery was returned, the chargeback needed to be raised by 13 June 2024.

Ms M raised the dispute with Halifax on 11 March 2024, so this was within the 120-days. The dispute reason was recorded as 'refund not received'. Ms M provided evidence to support her claim which included background to the events leading up to the purchase and copies of the receipts. However, based on what was received, I do not find that Halifax was wrong to request further information. Ms M provided further evidence on 7 April 2024.

I have considered what Ms M provided compared to the requested information and I accept that not all of the requests were met. Looking at the evidence Ms M provided this included receipts for the payments made, photographs of the jewellery, call records and a stamped document recording the jewellery being returned. While I note Ms M's comment that she was told there would be no problem if the jewellery wasn't satisfactory, she didn't provide anything to show that she was entitled to a refund, or this had been agreed. So, in this case I do not find that Halifax did anything wrong by asking for additional information.

While I accept that Ms M hadn't provided all of the information that Halifax had requested, I have considered whether she had provided enough to mean that it would have been reasonable for Halifax to have pursued her chargeback. Ms M has said that goods weren't as described, and a refund wasn't provided. While she provided photographs and a copy of the return receipt, on balance, I do not think this was enough to be able to say that had a chargeback been raised within the required timeframe this would have been successful.

Taking everything into account, I do not find that I can say that Halifax did anything wrong by asking for further information in response to Ms M's disputed transaction and then informing Ms M that her chargeback was 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 Ms M to accept or reject my decision before 25 February 2025.

Jane Archer  
**Ombudsman**