

The complaint

Mr G says Bank of Scotland plc, trading as “Halifax”, refuses to refund him for transactions on his account he says he didn’t authorise.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail here.

In short, several transactions were made in succession on Mr G’s Halifax account on 12 April 2024. They were all card payments online, made to a well-known gambling site. Mr G says he didn’t make these payments and would like Halifax to refund them all as unauthorised. He also says the transactions were made for a type of gambling which was out character of his usual gambling activity.

Halifax has held Mr G liable for the transactions in dispute as they were made using his card details online, and to a user account in his name with the site. It has said the evidence shows that Mr G was logged into his account during the period the disputed transactions were taking place but didn’t raise a complaint about these until 22 April 2024. So, Halifax says it thinks Mr G made the transactions and has refused to refund them.

Our investigator considered the complaint and decided not to uphold it. Mr G wasn’t happy with this outcome, so the complaint has been passed to me for a final 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.

Where there’s a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

Generally speaking, Halifax is required to refund any unauthorised payments made from Mr G’s account. Those rules are set out in the Payment Service Regulations 2017. Mr G said he didn’t carry out the transactions in dispute. I then have to give my view on whether I think Mr G did authorise the transactions or not.

Halifax has provided evidence to show the transactions in dispute were online card payments, meaning whoever made them had knowledge of Mr G’s card number, expiry date and CVV number. The payments were made to an online gambling website which Mr G already had an account with, and the evidence shows that the person making these payments was also aware of Mr G’s account username and password for this site. The correct details were entered online, onto Mr G’s established user account, so the payments were processed accordingly. This shows the payment was authenticated, but I must also consider whether Mr G consented to the payments being made. Mr G says he didn’t make these payments himself or authorise anyone else to do so on his behalf, and his details must

have been compromised.

I've considered all the evidence carefully to come to a decision on whether I think Mr G consented to these payments being made. Halifax has provided evidence of Mr G's online banking log in details during the period of the disputed activity. This shows Mr G had logged into the banking app several times after the initial transactions had been made. He logged in from his usual device and usual IP address. And as he says no one else has access to his device or online banking details, I am satisfied this was Mr G himself. So, I think he would've seen transactions coming out of his account at this time. However, he didn't make any attempts to block his card at this time – which he could've done easily through the app. Mr G says he was trying to figure out how his funds were being taken and he called Halifax immediately, however, their records show the earliest Mr G complained about these transactions was 10 days after. Had the transactions been unauthorised, I would've expected Mr G to take immediate action to protect his funds – like freezing his card in the app.

Looking at Mr G's account history I can see he had used his Halifax account to make payments to the gambling site in question many times previously. But Mr G says the type of gambling that was carried out here was not his usual activity and the volume of transactions made was out of character. I've seen that Halifax reached out the gambling site in question and its response states that the correct username and password was used to add money to the account during this time, and the betting pattern on the account has remained consistent throughout disputed and undisputed activity. Which supports my findings that I think it's likely this was carried out by Mr G.

It is not usual for a fraudster to use someone else's funds for gambling. In this case, had any winnings remained, no one else would've been able to access this money as it would need to be transferred back into an account in Mr G's name. However, had someone else gained access to Mr G's card details and were able to use them for online payments, it's likely they would've purchased goods which could've easily been sold on for profit. So, this isn't likely to have been carried out by a fraudster.

Mr G is adamant that he didn't carry out the transactions in dispute, and that the evidence does not prove it was him. However, I have to make my decision on what I think is more likely to have happened based on the evidence available. And, for all the reasons outlined above, I think it's more likely than not that the transactions in dispute were authorised by Mr G.

My final decision

For all the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 19 June 2025.

Sienna Mahboobani
Ombudsman