

## **The complaint**

Ms D complains Bank of Scotland plc, trading as Halifax (Halifax) have not fairly handled a chargeback dispute.

## **What happened**

Ms D holds a current account with Halifax and using her debit card on 7 December 2020 she paid a retailer £2,300 to purchase a piano. The transaction appeared on Ms D's statement on 8 December 2020.

Ms D is unhappy as she did not receive the piano and the retailer still has her money. Ms D has said she attempted to sort things out with the retailer around two years ago and through the help of staff at the care-home where she resides, but the matter was not resolved. The retailer denies receiving any payment.

Nearly four years later on 8 October 2024 Ms D spoke with Halifax about the matter and Halifax found the payment in question on Ms D's statements as noted above. However, Halifax explained they could not do anything for Ms D and she referred the matter to us two days later.

Our service passed on a complaint for Ms D to Halifax on 6 February 2025. Halifax reviewed the complaint and concluded they had not done anything wrong given they were unable to raise a chargeback dispute for Ms D due to the dispute being out of time under the card scheme rules.

Our Investigator considered the matter and concluded Halifax had acted fairly towards Ms D as the chargeback dispute had been brought too late for Halifax to be able to raise it with the retailer.

Ms D was upset with the Investigator's conclusions and so asked for the matter to be referred to an ombudsman, and so it is now with me to decide.

## **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 am sorry to disappoint Ms D that I have not found in her favour as I think in these circumstances Halifax have acted fairly as I'll explain.

Ms D is upset and frustrated with what has happened given she paid a significant sum for a piano which was never delivered and I realise Ms D has brought her complaint to this service as she seeking the return of those funds.

In light of this, and before I set out my findings below, I think given some of Ms D's submissions I must make clear that our service is not a consumer champion, rather it is an impartial service set up to informally resolve disputes based on what is fair and reasonable

in the circumstances of each individual case. This service can also only consider complaints about certain financial firms, so I have no authority to consider any concerns Ms D has about either the retailer or the care-home in relation to this matter.

To help explain why I don't think Halifax have acted unfairly in this case, I think it helpful to set out some context in relation to chargebacks and Halifax's role here.

When an individual makes a purchase using their debit card there is a mechanism where the card issuer (in this case Halifax) can raise a dispute about the purchase on the customer's behalf. This mechanism is called chargeback.

It is important to note that a chargeback is not a legal right and there is no obligation on the card issuer to refund or assist in any way, although we would typically consider it good practice for them to do so. It is also important to note the dispute is settled by the relevant card scheme provider under the card scheme provider's rules ('the rules'). So to be clear, these are not rules that Halifax have any influence over and Halifax raise and process a chargeback dispute within the card scheme provider's framework of rules - ultimately the decision about a dispute rests with the card scheme provider.

Ms D's reason for raising the dispute is due to her not receiving the merchandise she expected to receive. The rules for this type of dispute have strict time-limits setting out when a chargeback dispute of this nature should be raised. The rules say the chargeback would need to be raised within 120 days from the last day the merchandise was to be expected, and no longer than 540 days from the date of the transaction processing date.

In Ms D's case there is no record of the expected delivery date of the piano, but I don't think knowing this matters here given the transaction processing date was 8 December 2020 (as set out on Ms D's statement) and Ms D did not contact Halifax about this transaction until 8 October 2024, which is significantly more than 540 days from the transaction processing date.

While I note from the records available to me Halifax were able to raise other chargeback disputes on Ms D's behalf in 2021 and 2023, there is no record Ms D contacted Halifax about this particular transaction before 8 October 2024. So Halifax were not able to raise a chargeback for Ms D in this case as it had been brought to them too late under the rules for them to do so.

Given the strict time-limit parameters of the rules, I've therefore not seen anything to suggest Halifax were unfair in not raising a chargeback for Ms D in relation to this purchase, and I think the chargeback claim is out of time.

I'm aware Ms D has said she made attempts to sort out the problem with the retailer directly and also asked for support from the care-home to do this on her behalf, but as I've already explained it is not possible for me to consider the actions or inactions of either of these parties. And in this matter Halifax is also not responsible for the retailer or care-home's actions or inactions.

Ms D shared with us some of the health challenges she has and I'm sorry to learn of these as I've no doubt Ms D has experienced some difficulties with her well-being. I understand Ms D has said because of these health issues she was at times unable to pursue things and I've considered what Ms D has said. However, there is not enough here to persuade me to alter my findings. The rules are strict and I have no authority over them. I can only look to see if Halifax fairly handled the chargeback dispute and in this case I think they have given the dispute was brought too late for them to raise it.

For completeness I note that as Ms D's transaction was made using her debit card rather than a credit card, the protections available under Section 75 of the Consumer Credit Act 1974 do not apply here so I have not considered this.

In summary, my findings are that the chargeback claim in this matter is out of time and I've not seen anything to suggest this is the fault of Halifax or that they've treated Ms D unfairly in this matter.

### **My final decision**

For the reasons above my final decision is that I do not uphold Ms D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 9 July 2025.

Kristina Mathews  
**Ombudsman**