

## **The complaint**

Ms H complains Bank of Scotland plc trading as Halifax won't refund transactions made from her credit card account which she says she didn't make or authorise.

Ms H is represented in this complaint, as it's her complaint, I've referred mostly to her.

## **What happened**

Ms H reported several transactions totalling about £9,000 to Halifax as fraudulent.

Halifax looked into the transactions but said it wouldn't refund them as it said Ms H had authorised the payments. Following a complaint, Halifax still refused to refund them. So, Ms H referred her complaint to our service.

An Investigator considered the circumstances. He said, in summary, the evidence suggested Ms H had authorised the transactions and Halifax had spoken to Ms H more than once to check the activity she was now complaining about, and Ms H had told Halifax the activity was genuine. So, he didn't think Halifax had treated Ms H unfairly by refusing to refund the transactions.

Ms H didn't accept the Investigator's findings. She said she felt section 75 of the Consumer Credit Act 1974 ought to apply to the transactions because, she said, the websites the transactions were made to misrepresented themselves as gambling websites, but her money was not being credited to her gaming account.

Our Investigator followed up to explain why he didn't think section 75 applied to the transactions in Ms H's case.

As Ms H didn't agree, the complaint's been passed to 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.

I think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

Under the Payment Services Regulations 2017, generally, Halifax can hold Ms H liable for the disputed transactions if the evidence suggests that she made or authorised them. The Payment Services Regulations also make provision for the Consumer Credit Act 1974 to apply, and where a credit facility has been used, the relevant legislation is section 83 of the Consumer Credit Act 1974.

Ms H's representatives said she made a "myriad of payments" to, what she believed to be legitimate gaming websites. But after she had difficulties withdrawing \$28,000 worth of winnings on one site, Ms H says she was concerned she'd be scammed. Ms H's representatives have told us the companies involved are unregulated gambling companies. They said Ms H found these websites online, which had positive reviews and seemed legitimate at the time.

The complaint from her representatives made it seem initially as though Ms H accepted the transactions were authorised. When our Investigator asked for clarification, Ms H's representatives replied to say Ms H authorised some, but not all the payments made to the gaming websites.

Halifax has provided evidence the transactions were made online using Ms H's card details. And most of the transactions required in-app approval. Which Halifax has provided evidence of. The in-app approval was done using Ms H's registered device and biometric log in to the app.

I accept that it's possible, having already submitted her card details to the websites initially, that Ms H's card details were then used at a later date to make the later payments without her permission. But, as most of those required Ms H to approve them in the Halifax app – I don't see a plausible explanation for how this could have been done without Ms H's involvement based on what she and her representatives have told us. So, I find it's more likely than not that Ms H authorised all the transactions she's now disputing.

Ms H has suggested that Halifax failed to monitor her account and intervene, and had it done so, the fact that the websites were unregulated gambling companies would have come to light.

Halifax sent two text messages to Ms H on 13 July 2024 and 2 August 2024 in reference to two of the disputed transactions. On both occasions, Halifax's records show Ms H confirmed the two transactions as being genuine.

Halifax spoke to Ms H on the phone on 15 July 2024. I've listened to this call. During the call Ms H says she had been trying to purchase something on a well-known online marketplace, but Halifax's records showed no attempt for a transaction to this website. Only the transactions which Ms H is now disputing. Ms H admitted later during the call that she had approved the transactions in the app and also replied to a text message, more likely than not the one from 13 July 2024 above, from Halifax to confirm she had made a transaction to one of the merchants she is now disputing. After this call, the transactions to the disputed merchants continued. Despite Ms H having told Halifax during this call she didn't recognise them and was only trying to make a single payment to the online marketplace.

So, Halifax did intervene in some of the payments. And on those occasions, Ms H confirmed by text the transactions were genuine. She also told Halifax she'd approved some of the transactions she's now disputing in the app. So, I find it unlikely any further intervention would've prevented further payments from being made, since I've found Ms H was authorising them and at the time, based on her contact with Halifax had no reason to think anything was wrong in terms of the websites she was using.

Finally, Ms H's representatives have more recently asked for Ms H's claim to be considered under section 75 of the Consumer Credit Act 1974. This didn't form part of the complaint they originally made to Halifax, but Halifax have agreed for us to comment on this matter as part of this complaint. In certain circumstances, it allows someone buying goods or services on credit to claim against their credit provided over the actions of a third-party supplier.

Section 75 wouldn't apply to any transactions made for less than £100, of which there are several. As it stands, Ms H can provide no evidence of a contract between her and any of the merchants involved in the disputed transactions. So, there's no evidence of a breach of contract or a misrepresentation. So, I don't think this makes a difference to the overall outcome of her complaint.

Overall, I'm not persuaded an unauthorised party could have made the disputed transactions in the circumstances Ms H has described. Nor do I find there's any other basis upon which Halifax are required to refund the disputed transactions in the circumstances. So, I'm not going to require Halifax to refund them.

### **My final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 9 January 2026.

Eleanor Rippengale  
**Ombudsman**