

## **The complaint**

Mr G complains Bank of Scotland plc trading as Halifax acted unfairly by not refunding payments he made using his debit card.

## **What happened**

Mr G says between January 2023 and February 2024 he paid a company, I'll refer to as "D", around £23,700, across four payments for a design service at his property. He says he made the payments using his Halifax debit card.

Mr G says D failed to deliver the service he'd paid for, so he contacted Halifax in September 2024, for help in getting his money back. To raise a chargeback (which is the process of asking the merchant for a refund via the card scheme provider – Visa in this case) Halifax requested further information from Mr G. Halifax said as Mr G didn't provide the necessary information, it was unable to pursue the chargeback.

Mr G remained unhappy, so he complained. Halifax reviewed matters and explained it had contacted him on several occasions requesting information. And although he'd provided the merchants terms and conditions, an invoice request and email from D, Halifax said there was more it had needed to pursue a chargeback. It also explained there were certain time limits in which to raise a chargeback, and it may now be too late. It reiterated the information it needed and requested Mr G contact it to see whether it could pursue matters.

As this didn't resolve Mr G's concerns he contacted this Service. An Investigator here reviewed everything and didn't think Halifax had acted unfairly. Overall, they explained Mr G didn't provide sufficient evidence to Halifax, within the necessary timescales, for it to raise a chargeback.

Mr G didn't agree, in summary saying there'd been both a breach of contract and misrepresentation by D, as it hadn't provided the services he'd paid for. He also said Halifax had delayed the process by requesting the same information again, which meant some of the chargebacks were out of time.

As no agreement has been reached, this complaint has 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.

Chargeback allows for a request of a refund to be made of money paid with a plastic card in certain scenarios. I'm looking here at the actions of Halifax and whether it acted fairly and reasonably in the way it handled Mr G's request for help in getting his money back. This will take into account the circumstances of the dispute and how D has acted, but there are other considerations, such as the card scheme rules, which Halifax must follow and its own obligations.

Chargebacks are not guaranteed to succeed, the recipient of the funds (D in this case) can choose to challenge or defend a chargeback if they don't think it is valid. A consumer also cannot require their card issuer to attempt a chargeback, as it isn't a right.

Here, Halifax didn't attempt a chargeback, as it says it wasn't provided with the necessary information in which to do so. Specifically, it said, among other things, it hadn't been provided with:

- *A detailed description of the goods/services purchased*
- *A breakdown of costs*
- *Documents relating to the dispute*
- *Invoices*

Mr G doesn't agree, saying he provided sufficient evidence to Halifax that D hadn't provided the services he'd paid for. Based on what I've seen, Mr G provided Halifax:

- A copy of the contract / terms and conditions he entered with D.
- An email from D dated 14 February 2024 explaining an invoice had been attached.
- An email from D that appears to have been sent around July 2024.

As Halifax didn't pursue a chargeback, I've thought about whether it was reasonable in making this decision, based on the information Mr G provided.

At this point I should also say, Mr G says he made four payments totalling around £23,700 between January 2023 and February 2024, using his Halifax debit card. Halifax has only referred to three payments and I've not seen evidence of the payment made in January 2023. The contract Mr G provided was also signed after this, in April 2023. But as I don't think Halifax has acted unfairly, I don't think it's necessary to see this information before coming to my decision, as I don't think it changes the outcome here.

I say that because, if the card issuer decides to pursue a chargeback, it must be done under one of the reason codes, set out in the rules. Here, the most suitable reason code would have been "*Merchandise/Services Not Received*". I say that because Mr G says he only received drawings/samples from a third party and didn't receive installation, completion or handover, which he'd expect when paying for an interior design service. Essentially, he says the service he paid for wasn't received.

Under this reason code, the rules then set out conditions under which a dispute can be processed:

- *Before the Issuer may initiate a Dispute, the Cardholder must attempt to resolve the Dispute with the Merchant or the Merchant's liquidator, if applicable*

It then goes on to say the following must be provided, (I've included those relevant to Mr G's complaint):

- *Services were not rendered by the expected date/time*
- *Cardholder attempted to resolve with Merchant*

- *A detailed description of the merchandise or services purchased*

Firstly, Mr G says he attempted to resolve the issue with D on various occasions, but was unsuccessful. While I've seen emails to D from July 2024, noting Mr G's dissatisfaction about delays in the project, I don't think these alone were necessarily enough for Halifax to pursue a chargeback at this point. I should also say, I've not seen these emails were provided to Halifax when Mr G made his claim. In any case, even if it was sufficient, Halifax also needed further information as outlined above, so I've gone on to consider whether Mr G provided that information also.

On this point, Mr G provided Halifax with a contract / terms and conditions and two emails from D, sent around February and July 2024.

The contract is dated 24 April 2023, signed the next day and is between Mr G and D. It doesn't however set out what Mr G had contracted D to do, aside from "Interior Design Services". The terms are also generic and do not set out any details of the service Mr G had paid for or was expecting D to complete. As such, I've not seen Halifax were provided a detailed description of the services purchased, which were required under the rules.

The email dated February 2024 is in relation to an invoice due to be paid, but I've not seen a copy of the invoice, or that it was provided to Halifax.

The email from July 2024 says:

*"I will still liaise.....for anything urgent however I will not be supporting you"*

While this demonstrates an individual at D, will no longer be supporting in Mr G's project, it doesn't on its own suggest D had refused or failed to provide the service he'd paid for. I should also add, I've seen a separate email to suggest this person would be out of the office on annual leave – so taking these together, I don't think it's unreasonable Halifax chose not to pursue a chargeback at this point either.

It does appear, based on the information provided, there were delays in the service Mr G had purchased – it should have been completed around June 2024, but ultimately wasn't. However it's not clear whether this email was shared with Halifax, but even if it was, I don't think meant Halifax should have raised a chargeback. That's because, it also needed the information set out above, which it hadn't received.

Taking account of the information Mr G provided Halifax, alongside the rules it's required to follow, I don't think Halifax acted unfairly in not raising a chargeback at this point. I say that because Mr G didn't provide the necessary evidence required under the rules, namely details about the service he'd paid for or that he'd raised the issue with D. And I think Halifax made it clear on a number of occasions it needed this. But as Halifax wasn't supplied with the necessary information to raise a dispute there was no reasonable prospect of success, so Mr G hasn't lost out as a result.

This also means I can't agree Halifax caused any delays by repeatedly asking for the same information. I haven't seen Mr G provided the necessary information, so it was right Halifax continued to ask for it. But as this wasn't received there was nothing further it could reasonably do.

Both Mr G and Halifax have commented on the time limits in which to raise a chargeback. Of relevance here is the rules say a dispute must be raised within 120 calendar days from the last date the Cardholder expected to receive the merchandise or service. Its arguable Mr G did that here, as he says he expected to receive the service by June 2024, and as this didn't

happen, he raised chargebacks in September 2024. However, that alone isn't enough for a chargeback to be successful. As explained above, certain information is also needed, and as I haven't found Halifax was provided this to raise a chargeback, and it gave Mr G sufficient opportunity to provide it, I don't think it's necessary to go on to consider the time limits as it wouldn't change the outcome here.

For completeness I'm also aware Mr G has said D's actions amount to a breach of contract and misrepresentation. While credit card providers can be held liable under Section 75 of The Consumer Credit Act 1974, if such problems occurred, as Mr G paid on his debit card, this provision doesn't apply. Rather chargeback was the only route Halifax could have tried to get a refund for Mr G.

Overall, while I appreciate this will come as a disappointment to Mr G I don't think Halifax has acted unfairly here. That's because, Mr G hasn't provided the evidence Halifax needed in which to pursue a successful chargeback for the payments made to D. Halifax also didn't make an error in asking Mr G for this information, which wasn't unreasonable and ultimately, wasn't provided. So while Halifax didn't raise a chargeback for Mr G, I don't think it acted unfairly in not doing so, for the reasons explained. As such I won't be asking Halifax to do anything here.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 10 December 2025.

Victoria Cheyne  
**Ombudsman**