

The complaint

Mrs W has complained Bank of Scotland plc, trading as Halifax, won't refund four card transactions she didn't authorise.

What happened

In April 2024, Mrs W contacted Halifax to dispute four transactions she'd seen on her account. The first took place on 14 February and was for £3,064. There were then two monthly subscriptions of £69 for the same service, and a single payment of £300 that took place on 1 April to a separate merchant. Mrs W told Halifax she didn't recognise these transactions nor know what they were for.

Halifax disputed these transactions with the two merchants involved. In accordance with the rules of the international card scheme chargeback mechanism, Halifax refunded the four amounts to Mrs W's account.

These claims were defended by the merchants who were able to show evidence that card details, along with further authentication, had been carried out. They believed Mrs W had carried out these transactions herself.

Halifax wrote to Mrs W and confirmed they would be recouping the money from her Halifax account. This, however, didn't take place until 1 August 2024. Mrs W complained to Halifax that she'd never authorised these transactions. Halifax apologised to Mrs W for taking the money back much later than they'd initially led her to believe would happen. They paid her £75 for the inconvenience caused.

Mrs W was unhappy with this outcome and brought her complaint to the ombudsman service. This initially was only about the payment for £3,064 but Mrs W subsequently confirmed she wished all four disputed transactions to be considered.

Our investigator considered the evidence which Halifax provided. This included the merchants' evidence that Mrs W had purchased their products. She was also able to see that two payments had been made for £3,000 and £1,000 from Mrs W's savings account to her current account. These payments had coincided with the disputed transactions and were not in dispute. Our investigator confirmed she felt Halifax had sufficient evidence to show Mrs W had most likely authorised the disputed transactions.

Dissatisfied with this, Mrs W has asked an ombudsman to consider her complaint.

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've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light

of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mrs W's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

Having reviewed the evidence, I believe there is sufficient to show that Mrs W most likely authorised these payments. I say this because:

- Halifax's evidence shows two transfers were made from Mrs W's Halifax savings account to her current account. Mrs W doesn't dispute making these and says she regularly makes transfers from her savings to her current account. In this case she confirmed she was paying rent and other household expenses. The first transfer for £3,000 took place at 19:11 on 14 February 2024. The second for £1,000 took place at 10:03 on 2 April 2024.
- In the minutes before the first transfer, two attempts had been made to purchase training software, which enabled customers to learn about financial trading, for £3,064 using Mrs W's card details. These had been declined by Halifax most probably for insufficient funds. Mrs W says she transferred the £3,000 for other purposes but it is coincidentally just one minute before a successful card transaction is then made for £3,064.
- I've seen the evidence provided by the merchants involved in this dispute. This has also been shared with Mrs W. She believes this is illegible. As she is likely to have seen this as a pdf I'm not surprised she says this. The version available to our service is legible though. This confirms the timing, of the transaction, the name, address and email of the purchaser and how the transaction was authenticated. I can see the details, including the address, match Mrs W's. She believes the email address is incorrect as there is an additional letter at the end. I believe this is a typo. Otherwise this wouldn't be a valid domain name. I see no reason to doubt Mrs W used her card details, including the three-digit security code this suggesting the physical card was in her possession, to validate the transactions. In the first case, this involved a transaction for £3,064, along with a monthly subscription of £69 which she was charged in March and April 2024 after her initial purchase.
- From Halifax's evidence I can see the successful transaction for £300 carried out at 20:26 on 1 April 2024 was only made after eight failed transactions for declining amounts from £1,450 to £400 made over the preceding 90 minutes. A transfer from Mrs W's savings account of £1,000 was made the following morning with a further payment for £500 being made two days later.
- Mrs W hasn't suggested how an unknown third-party could have got hold of her card details along with the other personal details needed to carry out these transactions, Whilst a scenario around card compromise in itself wouldn't be difficult, the provision of services to someone seemingly masquerading as Mrs W seems unlikely.

- Mrs W has confirmed she needed the £3,000 to pay six months' rent in advance. In that case I find it unusual that she didn't immediately spot the transaction of £3,064 she claimed was fraudulent as she'd have needed those funds. This fraud wasn't reported to Halifax until two months had passed. I can also see no transactions from Mrs W's account to match the transaction she claims she needed to make around that time.

I've considered Mrs W's comments that the merchant evidence is faulty, as dates seem awry but there are enough details which make me believe these match genuine transactions made by her.

I suspect most likely Mrs W purchased software to help her carry out financial trading and then found it didn't deliver what she wanted. She subsequently felt she should get her money back.

Overall, I believe Halifax has sufficient evidence to show Mrs W authorised the four disputed transactions and I won't be asking them to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Mrs W's complaint against Bank of Scotland plc, trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 27 October 2025.

Sandra Quinn
Ombudsman