

The complaint

Ms W is unhappy with how Bank of Scotland plc trading as Halifax (“Halifax”) dealt with her payment disputes and how they treated her as a customer.

What happened

I will include a brief summary of the complaint below.

Ms W contacted Halifax about several payments she made that she wanted to dispute, and was unhappy they didn’t refund these to her using the chargeback method.

Ms W was also unhappy with how Halifax conducted themselves throughout the disputes – in that she felt no-one wanted to help her or understand the impact this was having on her.

Halifax ultimately didn’t think they’d handled the disputes unreasonably. So, Ms W referred her complaint to our service.

Investigator’s outcome

- One of our investigators looked at what happened and recommended that Halifax pay Ms W £150 for poor customer service. She felt that Ms W had told Halifax what her dispute was about, but they didn’t progress this as they should have. Our investigator didn’t think that Halifax had acted unfairly by not raising the chargeback requests.
- Ms W didn’t feel that £150 was a reasonable offer for what she felt was Halifax giving her poor service continuously about the disputes she’d raised. And Ms W felt our investigator hadn’t considered all her disputes.

As Ms W wasn’t happy with our investigator’s view, she asked for an ombudsman to consider her complaint. So, Ms W’s complaint was passed to me to decide.

I sent my provisional decision on this complaint on 4 September 2025. In the decision, I clarified that I would be considering the following transactions Ms W made:

- Payments of £7.02 and £83.55 made to a company I’ll call ‘N’ on 26 January 2024 and 29 January 2024.
- Payment of £525.60 made to a company I’ll call ‘V’ on 1 February 2024.
- Payment of £116.99 she made to a company I’ll call ‘F’ on 14 February 2024.

I said the following in my provisional decision:

“All these payments were made by Ms W using her debit card. This meant that the only likely way Halifax could have helped Ms W was through the chargeback process.”

what is a chargeback?

A chargeback is the process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme rules. What this means here is Halifax can in some circumstances ask for a transaction to be reversed if there's a problem with the goods or services supplied by the merchant that the consumer paid. But the chargeback process doesn't give the consumer legal rights, and it isn't guaranteed to result in a refund. It all depends on what the merchant says in response to the request the bank submits.

There first must be a right to apply for a chargeback under the card scheme rules. And I'd consider it to be good practice for Halifax to raise a chargeback if it has a good chance of being successful.

It's important to explain that chargebacks are decided based on the card scheme rules. They aren't based on who's right between the cardholder and merchant. So, it's not for Halifax – or me – to decide whether Ms W should have been allowed to get her money back for the claims that she's made against each company in question. Halifax should raise the appropriate chargeback and consider whether any defence given complies with the relevant chargeback rules.

The payments to N

Firstly, the payment of £7.02 was reccredited to Ms W's account following the chargeback that Halifax raised. The payment of £83.55 though was initially reccredited on 13 February 2024 but was then re-debited on 19 April 2024. This payment is therefore still in dispute.

So, what appears to have happened is that Halifax raised chargebacks for both these payments. But only one was successfully reclaimed for Ms W.

I've listened to the call recording between Ms W and Halifax where she explained to them what had happened. Ms W says this was an upfront payment to a vet for a dog she was looking to rehome for a booster and microchip while she was overseas. However, Ms W says this wasn't then done and that N promised to refund her these payments.

Halifax raised a chargeback for the £83.55 under the chargeback code: 'Goods and services not received'. They then received a response from N which explained they're still able and willing to assist Ms W by performing the service she'd agreed to. It seems then that Halifax decided not to take the matter any further following the defence from N. I don't think they acted unreasonably by taking that decision. I say this because N had said they would still have carried out the service they agreed to provide for Ms W. So, I don't think it can be said that N had failed to provide the goods/services, as they had said they were still willing to do this.

It's possible that there was another chargeback avenue that might have been applicable, which was that N had failed to provide an agreed refund to Ms W. But Halifax had to decide the most appropriate chargeback code to use, rather than use several different ones. I don't think Halifax were incorrect in submitting the chargeback under the code they used bearing in mind Ms W had explained N had taken money from her for something they didn't then do.

Overall, I don't think that Halifax handled the chargeback in respect of the payments to N unreasonably.

The payment to V

The payment Ms W made to V was for a flight cost she says she had to pay because they told her she wasn't booked onto the flight she originally booked. The call recording I've referred to in the previous section of my decision above also covered Ms W's explanation of the dispute she had with V. In the call, Ms W explains she had spoken to V about changing her flight and that she was told this would cost an extra £50. Ms W says that V told her at the airport she was never booked onto the flight and to board the flight she'd need to pay extra. However, V then charged her £525.60.

Ms W also said that V's staff were swiping her debit card to make the payment on several occasions which damaged her card and caused her to miss her flight.

Halifax raised a chargeback under the chargeback code: 'Goods and services not received' and re-credited Ms W's account with £525.60 on 13 February 2024. V defended the chargeback, but Halifax didn't think their defence was sufficient as they hadn't proved that the service (here, the flight) was received or was available for Ms W. So, Halifax raised the claim again with V. V then defended the chargeback a second time saying that Ms W had checked in and had boarded the flight.

At this point, Halifax chose not to take the matter further and re-debited Ms W's account with the disputed amount on 26 April 2024.

Clearly, there is a big difference between what Ms W said to Halifax about what happened with V and what V ultimately told Halifax. I haven't though seen evidence that Ms W had to pay a further amount because she missed the flight that V changed for her and charged her £525.80 for. So, I think Halifax was probably entitled to think that V's second defence to the chargeback was enough not to take the matter further.

The payment to F

Ms W paid F £116.99 on 14 February 2024 for some trainers. She says though the trainers started to fall apart and lose its colour within a couple of months. Ms W raised this with F, but they didn't help her. So, she asked Halifax to help.

Ms W says she went into a branch of Halifax to raise this dispute and gave branch staff evidence of the problem with the trainers, but they didn't then do anything to help her. I've looked at Halifax's notes about this particular dispute which mention that they got in touch with the branch in question who told them that there was no record they agreed to raise a dispute for Ms W. I can't be sure therefore that the branch staff did have sufficient evidence to raise a dispute for Ms W at that time.

Halifax though were still obliged to consider whether Ms W had provided enough evidence to them about the goods she bought from F to determine whether there was a reasonable prospect that a chargeback could succeed. That would mean evidence from Ms W to show the trainers were defective and evidence that she'd tried to resolve the matter with F directly first.

I'm satisfied that Ms W did try to resolve the matter with F. However, what I haven't seen is that Halifax was provided with appropriate evidence that there was an issue with the trainers (for example a picture of them). So, I'm not certain that Halifax had enough evidence to raise a chargeback for Ms W.

That isn't the end of the matter, as Halifax has recently said to me that they did raise a chargeback but then felt this had been raised in error because Ms W hadn't sent enough evidence showing that she'd tried to resolve the issue directly with F within the 120-day time

frame that was relevant to the chargeback rule. Halifax has also said they then reversed the chargeback because they felt they'd raised this incorrectly.

I'm not convinced at this stage that Halifax were correct to say that Ms W hadn't provided evidence she'd tried to resolve the matter with F. Ms W says she went into F's store and spoke to their staff about the issue with the trainers and tried to return them. And Halifax's notes that they've sent to me recently seem to set out that the issue in their opinion was more that Ms W hadn't provided evidence that the trainers may have been defective.

I think Halifax's reasoning about this dispute seems to be a bit unclear. And, after they raised the chargeback, it's quite possible that this wouldn't have been defended by F which would have meant Ms W would have had the money refunded. However, I balance that with the fact that when Halifax raised the chargeback, it was already outside of the 120-day timeframe to raise this. So, even though I don't know for certain how F would have responded had Halifax not reversed the chargeback shortly after they raised it, I think it more likely than not that they would have said to Halifax that the chargeback had been raised outside of the relevant time limits.

Halifax's customer service

Halifax accepts they didn't treat Ms W fairly when she spoke to them on 13 February 2024 and has agreed with our investigator's view that they should pay Ms W compensation for the distress and inconvenience she was caused. Having listened to the call, I agree that Halifax didn't treat Ms W fairly. She was upset and she clearly explained what her dispute was about. But Halifax's adviser didn't show much empathy and didn't give Ms W clear information about what Halifax could do to try to help. I think that Halifax should pay Ms W £150 because of their poor customer service and the impact this had on her.

My provisional decision

For the reasons I've set out above, I intend on upholding this complaint in part. I currently intend on directing Bank of Scotland plc trading as Halifax to pay Ms W £150".

I asked Ms W and Halifax to send me any further comments or evidence they wanted me to consider.

Halifax replied saying they agreed with my provisional decision.

Ms W called us on 5 September 2025 saying she had given us everything she had on 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.

Ms W and Halifax haven't sent me anything further for me to consider. I'm satisfied therefore that my provisional decision is still fair. So, for the reasons I gave in my provisional decision, which I have included on the previous page, I will be partly upholding Ms W's complaint.

Putting things right

Halifax should pay Ms W £150 because of their poor customer service and the impact this had on her.

My final decision

My final decision is that I direct Bank of Scotland plc trading as Halifax to pay Ms W £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 21 October 2025.

Daniel Picken
Ombudsman