

The complaint

Miss S complains that Bank of Scotland plc trading as Halifax (“Halifax”) failed to recover money in respect of faulty building work.

What happened

In early 2023 Miss S made two payments totalling £5,640 for the installation of doors in a property. She wasn’t satisfied with the doors or their installation and she contacted Halifax on 27 March 2025. It noted that the invoice was made out to a third party and the doors were installed in a property apparently not connected to Miss S.

Miss S explained she had health issues and said the invoice was made out to her son and she was intending to move into the property in due course. It considered if the claim fell within the criteria set out in section 75 Consumer Credit Act 1974 (“s.75”), but concluded that it did not.

Halifax rejected her complaint and so Miss S brought the matter to this service. It was considered by one of our investigators who didn’t recommend it be upheld. He noted that the claim had been brought too late for Halifax to make a chargeback and there was no debtor-creditor-supplier agreement in place for a successful s.75 claim. Miss S asked the matter be considered by an ombudsman.

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 have every sympathy with Miss S but I do not consider I can uphold her complaint. I will explain why.

There were two routes by which Miss S could seek redress, either by a chargeback or by a s.75 claim.

Chargeback is a voluntary scheme run by the card scheme operator to process settlement disputes between the card issuer (such as Halifax) – on behalf of the cardholder (Miss S) – and the merchant (here it’s the building firm). It is not a legal right that the cardholder has.

The scheme operator sets the chargeback rules and time limits for transactions made using the card scheme. And it is the card scheme operator that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder’s behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn’t necessarily expect it to raise a chargeback.

Under the card scheme’s rules applicable to this case, a chargeback must be requested within (i) 120 days of the transaction processing date or (ii) within 120 days of the last date the cardholder expected to receive the goods or services (but not exceeding 540 days from the transaction processing date). Miss S submitted her claim too late for a chargeback to be

considered.

Turning to s.75 this legislation offers protection to customers who use certain types of credit to make purchases of goods or services. Under s. 75 the consumer has an equal right to claim against the provider of the credit or the retailer providing the goods or services, if there has been a misrepresentation or breach of contract on the supplier's part. For s. 75 to apply, the law effectively says that there has to be a

: • Debtor-creditor-supplier agreement and

- A clear breach of contract or misrepresentation by the supplier in the chain.

The debtor is Miss S and the creditor is Halifax and the supplier is the building firm which supplied and installed the doors. However, Miss S does not have a relationship with that firm. She does not have an agreement with the firm to supply and install the doors. For example, if there was an outstanding balance due it would not have any right to seek payment from Miss S or take any legal action against her. Nor can I see that Miss S has established any clear connection with the property where the doors were installed. That she would later move into the property is not sufficient to bring s.75 into play.

Quite simply, Miss S does not have a connection with the supplier and so there is no basis for a claim under s.75. I appreciate if the transaction had been arranged differently Miss S may have been able to make a claim, but that does not mean I can require Halifax to uphold her complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 7 November 2025.

Ivor Graham
Ombudsman