

The complaint

Mr M complains about how Bank of Scotland plc trading as Halifax responded to a claim for money back in relation to a purchase made using his debit card.

What happened

In August 2024, Mr M used his debit card with Halifax to buy four alloy wheels and four tyres from supplier, who I'll call 'X', through an online marketplace. Mr M paid £1,150 for all eight items.

The alloy wheels and tyres were delivered to Mr M's home a few days later. But, Mr M raised an online chargeback enquiry with Halifax, as he wasn't happy. The reason code Mr M used with Halifax was 'goods not received'. Halifax considered Mr M's claim, but sent him a text message shortly afterwards to say that X had already refunded some of the total he paid for the goods.

After receiving the text, Mr M called Halifax to dispute the refund. He said Halifax had mistakenly seen other refunds from the same online marketplace that he used for the purchase with X. So, he told Halifax their assumptions were wrong. Halifax agreed and continued with Mr M's chargeback claim.

In the following days, Halifax received a response from X, through the chargeback process. X explained that Mr M wasn't happy with the tyres he had bought. They said they had offered to collect the tyres from Mr M and refund that part of the purchase. But, X also said that Mr M had declined that offer, as he had already fitted the tyres to his car. X explained to Halifax that Mr M wanted them to pay for the removal of tyres, in addition to the collection costs.

Halifax wrote to Mr M and said they hadn't found in his favour, because X had offered to collect the tyres and provide a refund. Mr M didn't accept that and said he could prove the tyres were not as they were described by X. Halifax agreed to look at the chargeback claim again and asked Mr M to provide further evidence about the condition of the tyres.

However, after receiving a report from a tyre fitter, Halifax still didn't uphold Mr M's chargeback claim. They said that even if the tyres were not as described, X had still offered a refund, if Mr M was to make them available for delivery. Mr M didn't accept that further outcome and raised a complaint.

In their final response to Mr M's complaint, Halifax said their review of the chargeback claim was correct. But, they recognised where they could have offered Mr M a better service. Halifax had already apologised and paid Mr M £110 for the distress and inconvenience they had caused. And they said this was fair in the circumstances. Mr M didn't agree and brought his complaint to our service.

One of our investigators looked into Mr M's complaint and found that Halifax had treated Mr M fairly. She said the handling of the chargeback claim was reasonable considering the evidence Halifax were given. The investigator also said that Halifax had caused Mr M

distress and inconvenience, but the amount they'd paid to Mr M was fair in the circumstances.

Mr M disagreed with the investigator's findings and said he had told Halifax the goods were not as described at the outset. He maintained that Halifax had caused delays and unnecessary trouble, by asking him to get a report on the condition of the tyres.

The investigator didn't change her conclusions and Mr M's complaint has now been passed to me to make a final decision.

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.

The start of the chargeback claim

The crux of Mr M's complaint is that Halifax didn't support his chargeback claim correctly and caused delays in the process. The chargeback process provides a way for a card issuer to ask for a payment to be refunded in certain circumstances. The chargeback process is subject to rules made by the relevant card scheme. It's not a guaranteed way of getting money back.

While it's good practice for a card issuer to attempt to chargeback where certain conditions are met and there's some prospect of success, there are grounds or dispute conditions set by the relevant card scheme that need to be considered. If these are not met, a chargeback is unlikely to succeed. And something going wrong with a merchant won't always lead to a successful claim.

I can see from the documents provided by Halifax that they started a chargeback claim, after Mr M had completed an online request. Halifax say their records show that Mr M used the 'goods not received' chargeback code. Mr M disputes this and says he had only questioned the description of the tyres given by X, from the start of the chargeback enquiry.

I've looked at Halifax's records of the reason given by Mr M, when he first made them aware that there was an issue with the tyres. Having done so, I can see that 'goods not received' was used as the chargeback code. So, on the face of it, it seems that Mr M told Halifax that he hadn't received the tyres from X, rather than they were not as X had described.

Furthermore, I've listened to the telephone call Mr M had with Halifax, from early September 2024. The call happened a few days after the chargeback claim was raised and Mr M wanted to clarify the information in a text message Halifax had sent to him. In the call, the advisor talks about the 'goods not received' chargeback code on several occasions. I can hear from the call that Mr M agrees with the reason for the dispute and doesn't say his dispute is about something different.

Having considered all the evidence, I'm persuaded that Halifax treated Mr M fairly, when they started the chargeback claim. On balance, I think Mr M asked Halifax to investigate the delivery of the tyres, rather than how they were described by X on the online marketplace.

The defence of the chargeback claim

After Halifax had gathered more information from Mr M, they received a response from X, through the chargeback process. I can see from Halifax's file on the chargeback, that X defended the claim. They said they had offered to collect the tyres from Mr M and refund the

cost. This would mean part of the whole transaction would be refunded.

However, X explained that they weren't prepared to meet Mr M's costs to pay a tyre fitter to remove the tyres from Mr M's car. They said it was for Mr M to arrange that, as he had fitted the tyres before inspecting them. Following the defence from X, Halifax took the view that the chargeback claim was unsuccessful and planned to close their case.

I empathise with Mr M, as I can understand why he would want to arrange for the alloy wheels and the tyres to be fitted straight away. And he was then faced with a significant cost to remove them. But, I think Halifax had taken the chargeback claim as far as they could reasonably be expected to.

Overall, I think it was fair for Halifax to have concluded that X had offered a reasonable solution to the dispute, seeing as Mr M had made the choice to fit the tyres, before checking the tread depth. In the circumstances, I don't think it would have been fair for Halifax to take the chargeback claim to the next stage, based on the costs Mr M faced with removing the tyres.

Mr M has told us that following that outcome, Halifax asked him to get a report on the condition of the tyres. He says the report proves that the tyres were not as described by X. I've reviewed the report Mr M has sent to us and while I agree it gives a professional summary of each tyre, I don't think it would have changed Halifax's approach.

I say this because X's defence of the chargeback claim, was always that the refund and collection were available to Mr M. And for the reasons I've explained, I think it was fair for Halifax to accept that defence and end Mr M's chargeback enquiry. That said, I can understand why Mr M was very disappointed with this, after arranging an appraisal of the tyres. But, I think Halifax treated him fairly, by being prepared to look at his further evidence.

Summary

I've also thought about the impact of Halifax's handling of the chargeback claim on Mr M. I'm aware that Mr M says he went on to experience financial difficulties after Halifax debited the temporary refund amount from his bank account in May 2025. Having thought carefully about that, I think Mr M was aware the refund was temporary and that Halifax gave him fair notice of their plans. I accept that Mr M found it very worrying, but I don't think Halifax's actions were unreasonable.

Additionally, I can also see where Halifax caused some delays throughout the chargeback claim. In particular, when they sent Mr M a text message about transactions completely unrelated to his chargeback enquiry. And where one of their advisors didn't handle a telephone call with Mr M, in the way they would want.

But, I've seen that Halifax have already made a total payment of £110 to Mr M for the distress and inconvenience they have caused. After considering all the circumstances, I think the amount Mr M has received from Halifax fairly reflects the trouble and upset he has experienced. So, I don't require Halifax to increase that award.

Overall, while I'm very sympathetic to the situation and can understand why Mr M decided to pursue the claim and complaint, I don't think there's grounds for me to direct Halifax to refund him what he requested. That's not to say something hasn't gone wrong with X, merely that from a financial service provider's perspective, I don't think Halifax's answer was unfair.

I'm also aware that Mr M says Halifax have unfairly closed his bank account and passed the balance to a debt recovery agency. Mr M didn't raise those concerns when he first brought

this complaint with Halifax. So, I make no finding about the closure of Mr M's account in this decision. I leave it to Mr M to raise his further concerns with Halifax if he remains unhappy with what happened when his account closed.

My final decision

My final decision is that I don't uphold this complaint.

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

Sam Wedderburn
Ombudsman